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COMMERCIAL RELATIONS

OF THE

UNITED STATES

WITH

FOREIGN COUNTRIES

DURING THE YEAR

1908

IN TWO VOLUMES

VOLUME II

NORTH AND SOUTH AMERICA, ASIA,
OCEANIA, AND AFRICA



WASHINGTON
GOVERNMENT PRINTING OFFICE
1909

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COMMERCIAL RELATIONS OF THE UNITED STATES, 1908.

NORTH AMERICA.

CANADA.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL JOHN G. FOSTER, OTTAWA.

The year 1908 was one of curtailment and economy in most branches of industry and trade, but at its close general business conditions seemed healthful and satisfactory and the last three months were more active than the corresponding months of 1907. The large expenditure of money for railway construction and the bountiful crops of the past season contributed largely to favorable conditions, and at the beginning of 1909 credit and confidence seem fairly well reestablished. The value of the field crops for 1908 is estimated at \$432,534,000, and of this about \$125,000,000 comes from the three northwest provinces, a country practically unproductive a few years ago. The rapid development of this western region continues to act as a potent stimulus to the whole Dominion, and the demands connected with this development have seriously taxed the financial resources of Canada during the year and will continue to require for some time the expenditure of large sums of money.

LAND UNDER CULTIVATION AND CROP YIELDS.

The area of land under cultivation in field crops in 1908 was 27,505,663 acres. The yield per acre and the total crop value of each of the principal crops were as follows:

Crop.	Yield per acre.	Total value.	Crop.	Yield per acre.	Total value.
	<i>Bushels.</i>			<i>Bushels.</i>	
Barley.....	26.79	\$21,353,000	Peas.....	17.05	\$1,262,000
Beans.....	27.00	1,988,000	Potatoes.....	132.00	34,819,000
Beets, sugar.....	a 10.07	578,000	Rye.....	17.09	1,262,000
Buckwheat.....	24.55	4,215,000	Turnips, etc.....	373.00	17,332,000
Corn.....	62.45	11,837,000	Wheat:		
Flaxseed.....	10.76	1,457,000	Spring.....	16.03	74,975,000
Fodder.....	a 11.27	11,782,000	Winter.....	24.40	16,253,000
Hay.....	a 1.29	121,884,000	Other grains.....	32.73	10,140,000
Oats.....	31.64	96,489,000			

a Tons.

FARM ANIMALS, LAND VALUES, AND WAGES.

The census and statistics bulletin for January, 1909, makes the following statements concerning the values of farm animals and farm land and concerning wages:

The total value of farm animals in the Dominion in June, 1908, was \$531,000,000. The value of horses in round numbers was \$264,000,000; milch cows, \$99,000,000;

other horned cattle, \$122,000,000; sheep, \$15,000,000; swine, \$31,000,000; and the average values were \$124.74 for horses, \$34 for milch cows, \$26.35 for other horned cattle, \$5.23 for sheep, and \$9.28 for swine. The June price of wool for the Dominion was 18 cents per pound.

The average value of farm land for all the provinces is \$35.70 per acre. In five of the Provinces it is under \$30, being \$27.30 in Manitoba, \$25 in Nova Scotia, \$21.40 in New Brunswick, \$20.40 in Saskatchewan, and \$18.20 in Alberta. In Prince Edward Island the average is \$33.70 per acre, in Quebec \$41.90, in Ontario \$47.30, and in British Columbia \$76.10. Values are high in the last-named Province owing to the comparatively large extent of farm land planted in orchards and small fruits.

The average monthly wages of farm and domestic help for the Dominion was \$24.60 for males and \$13.50 for females, and by the year, \$209 for males and \$130 for females. The highest averages are reported for the western Provinces, where they reach about \$300 per year for males and \$160 for females. In Ontario and Quebec the average for males is about \$240, and for females \$120 per year, but is a little higher in the former Province than in the latter.

MINERAL PRODUCTION—FISHERY INDUSTRY.

The values of the metallic and nonmetallic minerals produced in Canada during 1908 were \$41,655,936 and \$45,367,913, respectively, making the total almost the same as that of 1907. The production of silver in 1908 amounted to \$11,667,197, an increase of more than \$3,000,000 over 1907. The production of copper in 1908 amounted to \$8,500,885, or nearly \$3,000,000 less than in 1907. The gold production amounted to \$9,559,274; pig iron from Canadian ore, \$1,664,302; lead, \$1,920,487; nickel, \$8,231,538, and cobalt, \$112,253. The chief item of the nonmetallic minerals is coal, the production of which in 1908 was valued at \$25,567,235, about \$1,000,000 more than in 1907. Portland cement was produced in 1908 to the value of \$3,709,063.

The entire catch of fish by Canadians, including fish products, seals, etc., during the season of 1907, comprising the winter fishing ended March 31, 1908, was valued at \$25,499,349. This was a decrease of about \$750,000 from that of the previous year.

The value of the fish caught, by provinces, was as follows:

Province.	Value.	Province.	Value.
British Columbia.....	\$6,122,923	Quebec.....	\$2,047,390
New Brunswick.....	5,300,564	Other provinces.....	968,422
Nova Scotia.....	7,632,330		
Ontario.....	1,935,025	Total.....	25,499,349
Prince Edward Island.....	1,492,095		

During the period 1869 to 1907, inclusive, the total value of the catch of the five principal commercial sea fish was \$458,057,310; in 1907 the value was \$15,773,648. The values were as follows:

Kind of fish.	1869-1907.	1907.
Cod.....	\$143,134,571	\$3,619,818
Herring.....	77,543,921	2,073,760
Lobster.....	87,376,075	4,064,122
Mackerel.....	48,368,478	981,506
Salmon.....	101,804,665	5,014,446
Total.....	458,057,310	15,773,648

RAILWAY STATISTICS.

The mileage of Canadian railways in 1908 was 22,966. There were 4,327 miles reported under construction on June 30, 1908. The capital invested in Canadian railways totals \$1,239,295,013, of which \$607,425,349 is in stocks and \$631,869,664 in funded debt. To these figures should be added the following items expended by the Government for railways: Cost of Intercolonial Railway, \$87,575,952; Prince Edward Island Railway, \$7,697,827; Temiskaming and Northern Ontario Railway, \$12,208,950; and New Brunswick Coal and Railway, \$1,940,375; expenditure on National Transcontinental Railway, \$30,250,191; and railway subsidies, \$185,671,736, making a total investment in railways of \$1,564,640,044.

The cost per mile of corporation-owned railways in stocks was \$28,952, and in bonds, \$30,117. The length of Government-owned railways is 1,986 miles, and the cost per mile, including equipment, was as follows: International, \$60,355; Prince Edward Island, \$28,830; Temiskaming and Northern Ontario, \$58,411; and the New Brunswick Coal and Railway, \$33,454. The number of passengers carried during 1908 on all railways was 34,044,992. The average receipts per passenger mile were 1.920 cents. There were 63,071,167 tons of freight handled, and the average receipts per ton per mile were .723 cent, .089 cent less than during the previous year. It is expected that the amount of construction work in progress during the coming season will be larger than in any previous year. There are at present under contract over 4,000 miles of railway and upward of \$90,000,000 will be required to complete the undertakings now in hand.

The report of the transcontinental railway commission, in charge of the railway construction from Winnipeg eastward, shows that the expenditure during the nine months ended December 31, 1908, was \$18,866,212, making the total expenditure to that date on this account \$45,924,156. The total mileage of grading completed was 668, and the mileage of track laid 309. The entire length of this route with the exception of the entrance into Winnipeg is now under contract. Contracts for steel rails were awarded as follows: Dominion Iron and Steel Company, of Sydney, Nova Scotia, 105,695 tons, and the Algoma Steel Company 69,123 tons. The commission expresses the opinion that the section between Winnipeg and the Fort William branch line will be ready for operation by September, 1909.

IMMIGRATION AND HOMESTEAD ENTRIES.

The following table gives statistics of the immigration into Canada for the calendar years 1906, 1907, and 1908:

From—	1906.	1907.	1908.	Total.
United States.....	63,782	56,687	57,213	177,682
United Kingdom.....	97,757	132,060	58,727	288,544
All other countries.....	54,373	88,627	35,760	178,760
Total.....	215,912	277,374	148,986	641,986

The falling off in immigration during 1908 as compared with 1907 was over 46 per cent. This was in part due to certain restrictive measures adopted by the Government, but more largely to depressed industrial and commercial conditions. A very large volume of immigration from the United States is anticipated by the government officials for 1909.

During 1908 the total number of homestead entries amounted to 38,559. The number of land patents issued by the Government during the year was 19,763, covering 5,825,288 acres.

SUBSIDIES, BOUNTIES, AND COMMERCIAL FAILURES.

The amount of mail subsidies and steamship subventions authorized by the Dominion government for the year ended March 31, 1909, was \$1,735,634, and for the year ending March 31, 1910, \$1,854,801. The amounts of bounties paid on commodities for the fiscal year ended March 31, 1908, were as follows:

Articles.	Quantity.	Bounty.
Fiber, manilla.....	pounds.. 12, 315, 276	\$41, 983
Iron, pig.....	tons.. 683, 770	863, 817
Lead.....	pounds.. 15, 425, 553	51, 001
Petroleum, crude.....	gallons.. 26, 081, 139	391, 217
Steel.....	tons.. 661, 940	1, 092, 201
Steel, manufactures of.....	do.. 67, 856	347, 135
Total.....		2, 787, 354

The commercial failures in Canada, according to a trade report, numbered 1,640 in 1908, against 1,278 in 1907. The liabilities were \$14,931,890, against \$13,231,259. The total liabilities exceeded those of 1907, 1906, or 1905, and during a period of fifteen years were exceeded only in 1894 and 1896.

WATER POWER AND FOREST WEALTH—TARIFF TREATY.

In a recent address on the water power and forest wealth of Canada, delivered by the superintendent of railway lands, it was stated that the total water power amounted to 25,687,907 horsepower. The greatest amount was in Quebec, where the total was 17,075,939 horsepower. Ontario was credited with 3,129,168 horsepower, Manitoba with 500,000, and the other provinces ranged from 80,000 up. The superintendent stated that no accurate estimate of forest wealth had been made, but that various estimates had been given ranging from 100,000,000 to 800,000,000 acres. He expressed the belief that there was less merchantable timber in Canada than in the United States.

It is expected that the Franco-Canadian treaty as recently amended will receive early ratification from both the Dominion and French governments, and the expectation is expressed by Canadians that this convention will prove of considerable value to the Dominion. Under it Canada obtains an average reduction of about 33 per cent on about 150 different articles, including agricultural and other ma-

chinery, typewriting machines, lean cattle, bacon, ham, tinned meats, fish, furniture, etc., and tariff reductions are granted to France on over 100 articles, including wine and many other articles of luxury.

BEET-SUGAR PRODUCTION.

The beet sugar industry is now in its eighth year in Canada. Four factories for making and refining sugar have been built in Ontario and one in Alberta, though two or three of these are not now in operation. In 1901 the legislature of Ontario set apart \$225,000 as a special fund to be paid out of the consolidated revenue of the province to encourage the growth of sugar beets and the establishment of factories for the manufacture of beet sugar. The act provides for the payment out of the fund for sugar of first-class, marketable quality at a rate of one-half cent per pound for the product of the first and second years; of one-quarter cent for the third year and nothing for any year thereafter. It also provides for a payment of not more than \$75,000 in any one year. These yearly grants were subject to the conditions (1) that in the first year of operation at least \$4 per ton should be paid for beets delivered at factories under contract irrespective of the contents of saccharine matter; (2) that in the second and third years payment should be at the rate of 33½ cents per ton for every 1 per cent of sugar in the beets; and (3) that contracts should be submitted and approved by the minister of agriculture. In 1904 this act was amended by setting apart \$150,000 additional to the special fund and authorizing a uniform payment of one-half cent per pound of refined sugar yearly for a period of five years. Under these acts the province has paid \$370,906 on 86,050,811 pounds of sugar.

The Alberta legislature has provided for a bonus of one-half cent per pound of refined sugar produced from beet root at the factory for two years commencing in 1906, and one-quarter of a cent per pound for three years following, the bonus to be divided equally between grower and company. The imports into Canada of sugar for consumption in the fiscal year ended March 31, 1908, amounted to 22,056-516 pounds, valued at \$491,463. Under a provision of the customs tariff of 1907, beet-sugar manufacturers are permitted to import non-British sugar at the preferential customs rate to the extent of two tons of such sugar for every ton of Canadian beet sugar produced. The government further assists the manufacturer of beet sugar by admitting free of duty machinery of every kind and structural iron and steel when imported for use in the construction and equipment of factories for the manufacture of sugar from beet root.

TRADE DISPUTES—RURAL MAIL DELIVERY.

There were 69 trade disputes reported to the department of labor during 1908 compared with 149 in 1907, 138 in 1906, 87 in 1905, 103 in 1904, and 160 in 1903. The number of work people involved in 1908 was approximately 26,232, compared with 34,094 in 1907. The number of working days lost through trade disputes were approximately 708,191 in 1908, compared with a loss of 613,986 days in 1907.

During the past year Canada has introduced rural mail delivery to a limited extent. In the House of Commons the postmaster-

general stated that during the year the Government had obtained 6,000 boxes from New York City. These are furnished to the patrons in rural districts at \$3 each. Forty-four mail routes were put into operation during the year at a total cost per annum of \$663.50 each over the cost of the regular mail service.

EXPORTATION OF ELECTRIC POWER.

The three Canadian power companies at Niagara have exported to the United States, since the coming into force of the electricity and fluid exportation act up to December 31, 1908, 381,000,000 kilowatt hours (kilowatt hour = 1.34 horsepower maintained for one hour). Licenses are for one year and are uniform in all respects. They are renewed each year, provided the licensees have complied with the requirements of the act and regulations, and provided also that the Canadian demands for power are such as to continue its exportation. The licenses state that a fixed quantity of power may be exported, but there is express provision that the licenses are subject to the regulations established by the Governor-General in council, and these regulations provide that:

Any license issued thereunder shall be revocable at will by the governor in council. If the licensee refuses or neglects to comply with any of the conditions from time to time imposed by the governor in council with regard to the supply and distribution of electrical energy, gas, or fluid in Canada, and moreover whenever such electrical energy, gas, or fluid is required for use of purchasers in Canada, any such license shall be revocable upon such notice to the licensee as the governor in council deems reasonable in such case.

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BRITISH COMMERCIAL AGENTS—PUBLIC DEBT.

During 1908 a commissioner was appointed by the British Board of Trade (a department of the Imperial Government) to represent British commercial interests in Canada. The commissioner has appointed correspondents in St. John, New Brunswick; Winnipeg, Manitoba, and Vancouver and Victoria, British Columbia. These correspondents are in the pay of the British Board of Trade. The commissioner states that the duties he expects to discharge will be almost identical with those of American consuls stationed at different points throughout Canada.

The total net debt of the Dominion on December 31, 1908, amounted to \$291,573,767, as compared with \$253,743,452 at the end of the year 1907. The dominion revenue for the nine months ended December 31, 1908, was as follows: Customs, \$34,822,929; excise, \$11,706,824; post-office, \$5,049,575; public works, including railways, \$7,213,008, and miscellaneous, \$3,506,247; total, \$62,298,583.

The total expenditure on consolidated fund account amounted to \$50,432,621. In addition to this, there was expended on capital account during the nine months' period the following: Public works, railways, and canals, \$22,960,881; dominion lands, \$566,917; militia, capital, \$777,588; railway subsidies, \$516,126; bounties, \$1,495,442; South Africa contingent, \$15; total, \$26,316,969.

FINANCE AND BANKING—BUILDING OPERATIONS.

On December 31, 1908, the dominion government held in specie \$61,674,579. Dominion notes outstanding on that day amounted to \$79,434,694. The post-office savings-bank balance to the credit of depositors on December 31, 1908, was \$44,895,649, and the balance to the credit of depositors in the dominion government savings banks at the end of the year was \$14,406,924.

On December 31, 1907, there were 35 chartered banks in Canada with a total paid-up capital of \$95,995,482. On December 31, 1908, there were only 33 such banks, but their paid-up capital amounted to \$96,457,573.

A report of the building operations in the Dominion during 1908 for 73 localities, including all cities having a population of 8,000 or over, shows that the total value of buildings erected amounted to \$51,453,358, a decrease of about 10 per cent, due presumably to the depressed financial condition of the country.

The cities showing a value of building operations exceeding \$500,000 were: Toronto, \$11,795,436; Vancouver, \$5,950,893; Winnipeg, \$5,513,700; Montreal, \$5,062,326; Edmonton, \$2,549,847; Ottawa, \$1,794,075; Fort William, \$1,560,835; Hamilton, \$1,331,182; Victoria, \$1,230,740; Calgary, \$1,004,520; London, \$866,330; Halifax, \$857,271; New Westminster, \$600,000; Three Rivers, \$581,900; Quebec, \$546,248; Welland, \$525,000; Regina, \$516,656, and Moose Jaw, \$500,000. The city showing the largest gain for the year was Vancouver, being \$353,299 over 1907.

FOREIGN TRADE.

The total value of the foreign trade of Canada for the calendar year 1908 was \$562,293,281, against \$646,150,769 in the previous year, a loss of \$83,857,488. Of the trade in 1908 the imports were valued at \$292,288,575, of which \$172,996,561 were dutiable and \$119,292,014 were free. The exports amounted to \$270,004,706, the shipments of home produce representing a value of \$247,630,811 and those of foreign produce \$22,373,895.

The total trade of the Dominion, showing the shares of the United States and the United Kingdom for 1908, was as follows:

Country.	Imports.		Exports.	
	Dutiable.	Free.	Home produce.	Foreign produce.
United States	\$88,629,889	\$87,000,050	\$82,662,340	\$10,137,827
United Kingdom	53,199,574	17,787,652	133,625,624	7,494,637
Other countries	31,167,068	14,504,312	31,342,847	4,741,431
Total	172,996,561	119,292,014	247,630,811	22,373,895

IMPORTS BY ARTICLES.

The principal articles of import entered for consumption, and the respective shares arriving from the United States, the United Kingdom, and all other countries during the calendar year 1908 are shown in the following statement:

Articles.	United States.		United Kingdom.		Other countries.	
	Dutiable.	Free.	Dutiable.	Free.	Dutiable.	Free.
Ale, beer, and porter.....	\$319,434		\$195,548		\$5,900	
Animals, live.....	516,876	\$349,397	5,571	\$299,156	5,134	\$22,451
Books, periodicals, etc.....	1,428,022	1,006,498	446,414	277,490	79,905	130,251
Breadstuffs.....	1,706,834	3,867,895	710,787	329,871	374,082	425,663
Bricks, tiles, etc., and manu- factures of.....	251,561	415,151	189,061	180,675	382	3,168
Buttons and materials for.....	144,217	5,734	43,367	312	75,786	3,000
Carriages, carts, wagons, etc.....	1,600,601		131,984		74,904	
Coal, coke, and coal dust.....	13,736,607	15,399,608	134,510	164,350	138	47,703
Cocoa beans, nibs, etc.....	288,670	153,804	254,945	61,301	156,842	156,109
Coffee, extracts, etc.....	152,947		27,399	11,891	1,285	563,328
Cordage, rope, etc.....	123,822	1,462,741	128,269	11,632	1,744	
Cotton, and manufactures of.....	1,902,575	6,645,788	8,698,612	268,647	1,536,458	31,709
Drugs, chemicals, etc.....	1,075,298	4,133,789	640,626	1,286,422	537,105	778,515
Earthenware, china ware, etc.....	188,994		1,169,602		68,896	
Electrical apparatus and sup- plies.....	1,968,441	63,981	88,706		38,516	100
Fancy articles.....	541,947		1,181,933		1,019,366	
Flax, hemp, jute, etc.....	116,270	321,644	1,868,601	3,120,466	366,369	143,742
Fruits.....	3,314,167	3,429,027	365,925	138,365	1,514,286	417,074
Furs and skins, and manu- factures of.....	182,614	1,688,539	424,717	165,828	333,644	575,632
Glass, and manufactures of.....	661,656	881	762,486	708	815,713	11,435
Gloves and mitts.....	154,188		640,044		739,461	
Grasses, fibers, etc.....	9,864	1,251,563	79	156,708	2,737	80,844
Gutta-percha, india rubber, and manufactures of.....	641,516	2,244,771	161,044	31,062	24,822	916
Hats, caps, bonnets, and ma- terial for.....	872,507	154,830	1,304,157	86,641	154,266	34,754
Hides and skins other than fur.....		1,249,525		985,342		2,278,245
Leather, and manufactures of.....	2,377,756		515,011		61,082	
Iron and steel, and manufac- tures of.....	15,372,928	4,827,879	5,651,933	3,144,739	902,613	545,472
Oils.....	2,127,115	1,821,326	139,745	118,304	129,975	117,825
Oilcloth.....	154,191		683,644		2,398	
Paintings, drawings, engrav- ings, etc.....	417,974	173,357	193,960	206,261	164,310	50,276
Paper, and manufactures of.....	2,265,496	47,752	783,257	472	295,323	12,445
Provisions.....	3,675,152		106,727		224,436	
Ribbons.....	88,109		435,115		797,224	
Seeds and bulbous roots.....	1,132,381	26,815	36,506	59,434	34,004	47,635
Settlers' effects.....		5,556,075		2,804,069		166,212
Silk, and manufactures of.....	291,496	264,549	1,853,093	621	1,843,007	88,376
Spirits and wines.....	54,652		1,352,248		1,824,182	
Sugar, molasses, etc.....	261,099	6,245	1,246,520		10,055,026	824,254
Tea.....	34,456		1,408	1,606,640		3,266,903
Tobacco, and manufactures of.....	154,939	3,212,568	164,580	10,027	411,211	173,341
Watches.....	502,972		39,952		66,179	
Wood, and manufactures of.....	2,113,309	6,094,362	1'8,631	39,387	190,972	116,032
Wool, and manufactures of.....	6'9,732	216,848	13,2'5,638	1,700,188	2,098,792	296,042
All other articles.....	25,036,514	20,908,108	7,036,619	541,723	4,135,572	3,145,731
Total.....	88,629,889	87,000,050	53,199,574	17,787,632	31,167,098	14,504,312

EXPORTS BY CLASSES.

The exports of home produce for 1908, amounting in value to \$247,630,811, showed an increase of \$9,615,254 over 1907. Agricultural products gained \$18,515,544, and fisheries and manufactures each about \$1,000,000. The greatest decrease was shown in forest products, amounting to \$6,780,380. Animals and animal products and the products of the mine also showed decreases, the amounts being \$2,569,543 and \$1,597,611, respectively.

The value of the exports of home products, by classes, in 1907 and 1908 was as follows:

Class.	1907.	1908.	Class.	1907.	1908.
Agricultural.....	\$57,368,407	\$75,883,951	Mine.....	\$38,437,655	\$36,840,044
Animal.....	55,589,386	53,019,843	Other.....	74,225	54,915
Fish.....	13,480,400	14,435,023	Total.....	238,015,557	247,630,811
Forest.....	45,285,118	38,504,738			
Manufactures.....	27,780,366	28,892,297			

PRINCIPAL ARTICLES OF EXPORT.

Canada's best customer in domestic produce is the United Kingdom, which took articles valued at \$133,625,624, or 53 per cent of the total shipments. The United States came next with purchases valued at \$82,662,340, or a little in excess of 33 per cent.

The total value of exports for 1908 of home and foreign produce, by principal articles, and the shipments of each to the United States and the United Kingdom are shown in the following table:

Articles.	United States.		United Kingdom.		Total.	
	Home produce.	Foreign produce.	Home produce.	Foreign produce.	Home produce.	Foreign produce.
Animals, live.....	\$1,393,063	\$475,752	\$9,755,086	.....	\$11,325,075	\$475,752
Breadstuffs.....	2,313,277	3,439	56,506,822	\$6,468,104	66,357,750	10,262,503
Coal, coke, charcoal, etc.	3,867,346	158,357	18,065	.....	4,968,506	160,667
Drugs, chemicals, dyes, etc.	622,519	1,216,050	321,427	3,255	1,243,440	1,226,286
Fish and fish products.....	4,514,822	4,743	3,808,517	.....	13,878,285	39,393
Fruit.....	353,241	67,255	4,997,329	.....	5,830,501	79,951
Furs and skins, and manufactures of.....	1,094,705	69,777	1,450,211	10,309	2,712,616	86,639
Hay.....	33,916	2,999	486,820	.....	638,285	2,999
Hides and skins, n. e. s.....	3,416,495	12,021	269,929	.....	3,720,168	12,352
Leather, and manufactures of.....	84,731	38,289	2,202,751	10,993	2,487,083	49,704
Metals and minerals, and manufactures of.....	27,628,082	752,733	3,605,710	58,408	37,789,119	839,717
Paper.....	1,001,087	21,950	1,601,414	722	3,713,611	22,755
Provisions.....	102,104	20,306	33,932,317	11,205	34,523,936	77,937
Settlers' effects.....	1,497,462	122,376	190,024	25,680	1,750,444	150,622
Spirits and wines.....	1,053,968	63,757	58,084	3,068	1,355,965	77,327
Wood, unmanufactured.....	25,235,853	14,032	9,674,166	166,899	38,418,097	181,725
Wood, manufactured.....	2,946,424	43,865	1,508,592	13,735	4,920,747	70,485
All other articles.....	5,593,215	7,051,196	3,197,760	722,249	11,997,183	8,569,373
Total.....	82,662,340	10,137,827	133,625,624	7,494,637	247,630,811	22,373,895

ALBERTA.

CALGARY.

By CONSUL E. SCOTT HOTCHKISS.

The Calgary consular district consists of the Province of Alberta, the eastern half of British Columbia, and the western half of Saskatchewan.

From its geographical situation it is destined to become a great agricultural center, and by necessity Calgary will become the commercial and industrial center of Alberta and this section of Canada.

Bank clearing returns are regarded as the real index of the business activities of cities throughout America. The clearing returns for this city are larger, in proportion to population, than those of any other city in the United States or Canada. The clearings also show that the amount of business transacted is as great as that of many cities many times its size.

GRAIN AND FLOUR MARKET.

Calgary has three elevators with a capacity of 350,000 bushels each and one in course of construction which will have a capacity of 1,000,000 bushels. There were 1,000,000 bushels of grain marketed here in 1908, and 100,000 barrels of flour were milled by the Calgary flour mills, which have a daily capacity of 1,457 barrels. Of this flour 30,000 barrels were sold in China and Japan. Five elevator companies have their main offices in Calgary, and altogether they operate over 80 elevators throughout the Province.

This consular district contains some of the most fertile and productive lands from an agricultural and stock-raising standpoint to be found on the North American continent, and the fact that these lands are awaiting the settler is becoming widely known, judging from the immense numbers of settlers that are flocking in every year from the United States and different parts of Europe. The average yield per acre for the Calgary district for 1905 and 1906 was as follows: Winter wheat, 28.81 bushels; spring wheat, 26.27 bushels; oats, 45.49 bushels; barley, 30.21 bushels; and flax, 28.64 bushels. Alberta oats are from 2 to 15 pounds over legal weight.

IMPORTANT RAILROAD AND INDUSTRIAL CENTER.

The principal industries carried on in this district are agriculture, stock raising, fishing and trapping, manufacturing, and mining. Calgary is destined to become one of the great railway centers of Canada. The Canadian Pacific, Canadian Northern, Grand Trunk Pacific, Great Northern, and in fact every railroad that enters western Canada from any direction will make this city its headquarters. The business center of the west is rapidly shifting. It has been for years at Winnipeg, but is steadily moving toward Alberta and Saskatchewan.

Calgary is the jobbing center of the Northwest; over 250 traveling salesmen have their headquarters here. Its future as a center for manufacturing industries also is assured from the fact that cheap power is obtainable both by hydro-electric development and from natural gas.

The development work of the Calgary Natural Gas Company has reached the stage at which natural gas for power purposes is practically assured and at a minimum cost. Even better results are being obtained at Medicine Hat, to the east, where the price of natural gas is lower. At Bow Island, two wells have been sunk and gas secured at a comparatively shallow depth, one well producing 4,500,000 and the other 7,000,000 cubic feet per twenty-four hours.

Calgary, from a municipal standpoint, is taking its place among the foremost of western cities. The city owns and controls its own light and power plant, has installed a water system capable of supplying the city with water for an indefinite period, and is extensively engaged

in many other civic improvements, such as street paving, etc. Different kinds of pavements are being tried, including California asphalt, granitoid, creosoted block, and bithulithic, the contracts for the laying of all of which have largely gone to contractors from the United States. A municipal street-railway system is also being installed, the steel rails and other supplies for which are being secured from the United States. American firms have practically the only contracts for sewer pipe. At the recent awarding of a contract for supplying several miles of this material there were 8 bidders, 6 of whom were from the United States, and not one contract went to a Canadian firm.

TRADE WITH THE UNITED STATES.

It is impossible to give the value of the imports into this district, as all compilations are made at Ottawa, but the principal articles supplied from the United States are automobiles, boots and shoes, electrical apparatus, furniture, fancy goods, hats, hardware, machinery, safes, steel rails, typewriters, saddlery, etc.

The declared value of exports from Calgary to the United States in 1908 was \$236,068, against \$329,426 in 1907. The articles and their values were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals:			Hides and skins.....	\$113, 837	\$1, 067
Cattle.....	\$15, 675	\$47, 254	Household goods.....	9, 190	20, 990
Horses.....	500	8, 450	Wood, manufactures of:		
Cement.....		29, 437	Laths.....		2, 207
Coal.....		4, 947	Lumber.....		5, 032
Emigrants' effects.....		9, 399	Other articles.....	32, 659	34, 342
Fish.....		11, 067	Total.....	329, 426	236, 068
Furs, raw.....	157, 565	61, 876			

The declared value of exports from the agency at Lethbridge to the United States during 1908 was \$159,115, against \$108,168 for 1907.

The total amount of customs duties received at Calgary during 1908 was \$426,425, and in 1907 \$604,359, while the duties received at Lethbridge for the two years were \$141,379 and \$154,640, respectively. The government creamery at Calgary has manufactured during the past five years 22,562 pounds of butter annually, the price averaging during 1908, 27.7 cents per pound.

BRITISH COLUMBIA.

FERNIE.

By CONSUL FRANK C. DENISON.

The conditions of the various business interests outside the mountains and to the south and west of Fernie were about normal, while through the Crows Nest Pass, owing to the fire in August, 1908, there was an unusual state of affairs. For many miles all kinds of property were destroyed. New buildings were then erected to replace the old, and new business houses started or old ones reestablished, which has made the season one of exceptionally hard work, so that

a survey of the commercial activities here would hardly be more than a story of the rehabilitation of Fernie.

For the last five months of 1908 the declared exports at this consulate to the United States were as follows: Coal, valued at \$353,920; coke, \$31,518; emigrants' effects, \$8,251; old copper and rubber, \$2,003; contractors' outfits, \$1,759; and horses, \$1,328. The value of American goods returned was \$22,153.

IMPORTS FOR THE YEAR—FRUIT TRADE.

The importation of goods into this district during the year ended December 31, 1908, was rather abnormal, notwithstanding that the great fire interfered to a considerable extent with trade conditions. The value of the imports for 1908, the figures being obtained as far as possible from merchants, sawmill men, and mine managers, amounted to \$580,021. Of this amount \$415,273 came from the United States and \$164,749 from the United Kingdom and other European countries.

The imports from the United States consisted of mining and sawmill machinery and parts to the value of \$299,888; green fruits and vegetables, \$42,948; packing-house products, \$18,853; general merchandise, \$44,009; and beer and mineral waters, \$9,575. The greater portion of the green fruits and vegetables shipped into Fernie and surrounding points comes from the States of Washington, Oregon, California, Idaho, Montana, and Florida, the States ranking as to quantity in the order named. Nearly all of this class of imports comes to Fernie directly from Spokane, Wash., that city being the distributing point for such products coming to this locality. Two railways, the Great Northern and Canadian Pacific, connect Spokane and Fernie, and transportation facilities are good.

The green-fruit trade is a permanent business and likely to grow in volume, notwithstanding that the growing of fruit on this side of the international line is proving in many localities to be a success. The early fruits from the South are on the market before the fruits grown to the west of Fernie, in the Okanagan, Boundary, and Kootenay Valley districts come to maturity. This gives the southern grower a decided advantage as to price, the early fruits always commanding the highest prices.

A large proportion of the imported fruits consists of strawberries, cherries, plums, and apricots, coming from as far south as California. The imports from Florida consists almost entirely of oranges. Strawberries coming from the Hood River district in Oregon are the favorite in that line, as they are of excellent flavor and always well boxed.

HATS, BOOTS AND SHOES, MACHINERY, ETC.

A good portion of the goods under the head of general merchandise coming into this district from the United States consists of hats and the higher grades of American-made boots and shoes. In the case of macaroni, an article much used by the Italian miners, it may be surprising that some \$4,000 worth comes from the United States as compared with \$3,500 from Italy.

The large importation of mining machinery from the United States during 1908 is accounted for by the facts that a new mining plant was installed at the Hosmer coal mines, 8 miles from Fernie, and that

the Crows Nest Pass Company installed a new steel tippie at its mines. This class of imports, however, is sure to continue to be large, as new coal mines are constantly being opened or old plants refitted with new up-to-date machinery. American goods of this class have an advantage over foreign-made machinery, and as long as quality is maintained they will hold the field against competition from Great Britain, the leading competitor of the United States.

The imports of safety lamps used in the coal mines are solely from Germany. According to the statement of the miners and mine managers, these lamps are the only ones that meet the requirements of the mines. Brattis cloth, used extensively in the coal mines of this district, comes exclusively from England, and the larger portion of the pottery comes from Europe. Some \$600 worth of cut glass was imported from the United States in 1908.

A large portion of the imports for the Hosmer mines consisted of firebricks for the coke ovens, which came from Pennsylvania. Parties are investigating what is said to be a good quality of fire clay, lately discovered near Elko, some 20 miles from here.

VANCOUVER.

By CONSUL-GENERAL GEORGE N. WEST.

From all indications 1909 should show a considerable increase over 1908 in all branches of business at Vancouver and in this Province. Many new enterprises are being started, and others on a large scale are contemplated, which, if carried into effect, will add greatly to the business of this city and will make it the leading Canadian port on the Pacific coast.

The declared value of exports from Vancouver to the United States in 1908 exceeded that for 1907, as the following statement shows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals: Horses.....	\$48,740	\$52,211	Sake (Japanese).....	\$325	\$10,430
Automobiles.....		7,011	Salt.....	330	4,538
Bones.....		3,511	Sirup.....	4,755	9,848
Butter.....	15,745	6,207	Skins.....	8,358	5,923
Coal, bituminous.....	14,272	12,496	Tea.....	52,324	53,411
Coffee.....	6,806	13,560	Tin, and manufactures of.....	49,621	9,963
Concentrates, gold.....	80,500	25,800	Wood, and manufactures of:		
Fish, and fish products:			Clapboards.....	1,056	1,966
Halibut.....	375,659	409,229	Logs—		
Salmon.....	101,272	79,976	Cedar.....	294,509	459,689
Sturgeon.....		4,814	Fir.....		4,371
Other.....	3,907	7,266	Spruce.....		18,075
Furs, raw.....	12,607	21,459	Lumber, etc.....	11,879	10,560
Gold dust.....	500	17,600	Shingles.....	970,316	965,634
Granite.....	5,601	6,529	Siding.....	957	69,806
Hides.....	73,399	104,039	All other articles.....	354,196	80,385
Household effects.....	118,284	145,708			
Iron, scrap.....		6,131	Total.....	2,698,797	2,704,695
Lime.....	7,142	11,884	Bullion:		
Onions.....	150	4,775	Gold.....	190,220	1,645,108
Ore:			Dore.....	171,108	
Copper.....	81,065	46,989	Returned American goods.....	185,167	180,767
Gold.....		8,570			
Pile trap.....	4,532	4,331	Grand total.....	3,245,292	4,530,570

The value of returned American goods may seem large, but their return does not necessarily mean that they were not salable or could not find a market. The greater part of the articles consisted of con-

tractors' outfits returned on completion of contracts, second-hand sewing machines exchanged for new and improved ones, machinery sent back for repairs to be returned here, and empty beer barrels and bottles returned for refilling.

LARGE QUANTITIES OF AMERICAN GOODS SOLD.

From the amount of goods displayed and advertised by the merchants, it appears that large quantities of American goods are handled here; especially is this true as regards boots, hats, caps, machinery of all kinds, including boilers, gasoline engines, hardware, food products and groceries, smoked meats, many articles in the dry-goods line, muslin underwear, gloves of various kinds, etc.

One class of American manufactures that is apparently not advertised or used in buildings now in course of erection is plate and other kinds of window glass of all dimensions. As many large buildings for business purposes are to be erected during the coming year, and the building of large and small dwelling houses will be very great, it would appear that Vancouver should be a place for American manufacturers of glass to seek a profitable business. Transportation can be had by railroad directly to this city.

This market should also afford opportunity for the sale of jams and pickles of various kinds, as goods of this character sold are nearly all English brands.

In all cases where goods are sold for delivery in this market, shippers should take extra precaution to see that they are securely packed in strong cases, so they will stand the rough usage they receive in course of transit, and in order to prevent damage by breakage, or from other causes. The cases used in most instances are too light in construction, and are not securely nailed or banded at the ends with hoops or iron bands. In this respect the boxes used for shipment of goods from Europe are superior to those used by American concerns.

MINING AND MINERAL OUTPUT—FRUIT.

The mines in this Province, both of metals and of coal, are being developed rapidly. New companies are being formed, and old established ones are increasing their capital to enable them to add largely to their output; especially is this true as regards coal mining, as the exportation of coal to the United States and the amount required for bunkering of steamers, in addition to the amount required for local use, are taxing the mines now in operation to their full capacity.

The value of the mineral output of British Columbia for 1908 was \$23,857,535, against \$25,882,560 in the previous year. The minerals were as follows: Gold valued at \$5,975,520; silver, \$1,518,500; lead, \$1,654,695; zinc and iron, \$280,000; copper, \$5,792,820; coal, \$5,950,000; coke, \$1,488,000; and building material, \$1,200,000. There was a decrease in the output of lead and copper, the values being \$2,291,825 and \$8,166,544, respectively, in 1907.

The apple orchards of the Province are now beginning to yield abundantly, and the fruit is of fine size, quality, and flavor, finding a ready sale in the local markets. Large quantities of various kinds

of apples find a ready market in the prairie provinces, and the shipments to the Orient have also increased. The fruit is well adapted for shipment, having a thick, tough skin which resists bruising, thus permitting its arrival in a sound condition. Shipments are generally made in boxes of one-half to one bushel capacity. During a visit to the provincial exhibition held at New Westminster, British Columbia, in the fall of 1908, one of the finest displays of fruit, including apples, pears, plums, grapes, etc., was noticed. All of the fruit displayed, it was claimed, had an excellent flavor.

The root crop was also of a great variety, of good size, and the growers of both fruit and root crops stated that the yield was large, in most instances exceeding the usual yield that they had been accustomed to in the eastern portion of Canada from the same acreage.

During the coming year there will be great improvements in the railway service through the building of branch lines, the improvement of main lines, and the building of the new lines projected, all of which have this city as their terminal point, where goods may be transhipped to and from the Orient and to other Pacific ports.

INDUSTRIAL IMPROVEMENTS.

Several new and important industries were located in and near this port during the past year, one of the most important of which is the British Canadian Wood Pulp and Paper Company (Limited) of Vancouver. This company has a large mill in course of erection, and much of the machinery has been installed. The company is capitalized at \$1,000,000, of which almost \$300,000 worth of stock has been placed. The capacity of the mill will be about 130,000 pounds of fiber paper per week, and the output at first will be confined to this class of goods. Later it is intended to add a mechanical division to enable the mill to turn out a cheaper grade of wrapping paper by employing soda stock. The market for this output of fiber paper is expected to be found mostly in Australia, New Zealand, and Japan. Fir and cedar wood will be used almost exclusively. Experiments with Douglas fir and cedar have demonstrated that it is capable of conversion into fine pulp, easily bleached, with unusually long fiber, the resinous parts of the wood being overcome by use of the soda process. The plant is located at Port Mellon, on Howe Sound, about 25 miles from Vancouver, and large ocean-going steamers can be loaded direct from the mills, thus avoiding railway transportation and several handlings of the goods.

Another pulp and paper company has been organized for the purpose of manufacturing ordinary news and wrapping paper. The plan of the company is to erect on Quatsino Sound, Vancouver Island, a sulphite mill and mechanical plant, with a weekly capacity of 600 tons. As the company controls large and valuable grants of timber, stated to be 55,669 acres, which were procured from the Government at a yearly rental of 2 cents per acre, and a royalty of 15 cents per cord as against a usual yearly timber-lease tax of 22 cents per acre and a royalty of 50 cents per 1,000 feet, it should have no trouble in making a success of its enterprises.

Another enterprise for which a plant will soon be in operation is the Nichols Chemical Company (Limited), incorporated under the

laws of Canada. The plant will manufacture chemicals, such as sulphuric and other mineral acids, the incorporation act giving the company a wide latitude. The plant has been in course of construction since July, 1908, and the buildings are now practically completed, while the apparatus is being installed, so that the plant will probably be in operation in 1909. Material for the manufacture of sulphuric and other acids may come from Japan, Sicily, or the United States, as raw material for these purposes has not yet been developed in this Province. Markets for the output of the plant will be found on the Pacific coast of Canada.

LUMBER INDUSTRY—ASIATIC LABOR.

The Brooks-Scanlon Lumber Company, of Minneapolis and Vancouver, which owns extensive timber limits in the Harrison Lake district and other sections of British Columbia, will soon commence the erection of large sawmills in this Province, so as to enable it to market from 100,000,000 to 150,000,000 feet of lumber each year. It is now doing the preliminary work of locating camps, getting in machinery of various kinds, etc. The company will export lumber to the United States, Australia, China, South America, and Great Britain. It will operate three sawmill plants; two of these will be on the Fraser River above New Westminster, the output from which will be principally for the over-sea trade, unless markets can be found in the United States for the entire output, which would be preferred. The third mill will also be erected on the Fraser River or a short distance from it, which will cut for the domestic retail trade in particular.

The Fraser River Mills (Limited), a corporation in which Americans are the largest investors, has, during the past year, completely renovated its mills and increased their capacity, and has one of the largest plants for the sawing of lumber in this Province, its estimated capacity being 1,000,000 feet every twenty hours.

From the immigration department it is learned that the number of Japanese in British Columbia is approximately 12,000; Hindus, 3,000; and Chinese 18,000. These figures represent the number who have landed in the Province, but it is believed that this has been somewhat reduced from various causes, as many have settled in the prairie provinces and the Yukon territory.

The Japanese are largely engaged in outdoor pursuits, such as fishing and work around the mills, having superseded the Chinese almost entirely in this latter work. The wages paid the Japanese vary little from that paid for white labor of the same character. The Chinese are to a very large extent employed as servants in hotels, restaurants, clubs, and laundries, and as domestic servants. A few are engaged in the mills as packers of shingles and in other labor connected therewith, also as inside men at canneries. A considerable number are also employed as truck gardeners. The Hindus are employed in various classes of work in and around the city, and are the lowest paid labor in the Province. They do not appear to be able to adapt themselves to their new surroundings as readily as the Japanese and Chinese, neither does the climate seem to agree with them, as many deaths occur among them.

IMPORTANCE OF VANCOUVER AS A PORT.

Vancouver is the western terminal of the Canadian Pacific Railroad, the company operating a fleet of steamers from here to China and Japan. Several other lines of steamers are also running from here to Australia, to New Zealand, and to the west coast of Mexico, and two lines operate to ports in China and Japan, and thence through the Suez Canal to European ports, so that the manufactured goods of the United Kingdom and Continental Europe, as well as those from the Orient, are brought in at minimum freight rates, the entire transportation being by water.

The Northern Pacific and Great Northern railroads have recently made large purchases of land in Vancouver for terminal and wharf purposes, and will in the near future make large expenditures for terminal facilities, to include docks, warehouses, and stations.

Notwithstanding the depression of the past year, local improvements have proceeded without abatement. The statistics from the building inspector's office for 1908 shows the permits issued for the erection of buildings to have cost \$5,947,423, an increase of \$322,000 over 1907. The engineer's report shows that 2½ miles of wood-block pavement on a concrete base were laid; 1,214 miles of stone-block pavement were laid in alleys and lanes; 13½ miles of streets were graded, and 19 miles cleared (stumps and stones removed) and rough graded; 6,600 feet of box drains and 11½ miles of cement foot pavement were laid; and 4½ miles of cement curbing were installed. In the matter of sewers, 8 miles of terra-cotta pipe were laid and a large extent of brick-lined concrete sewers was constructed.

The expenditure for municipal improvement amounted during the year to \$1,500,000, which is expected to be largely exceeded during the present year, as several costly bridges are to be built and a large amount of sewerage is to be installed in the residential part of the city.

The supply of water for city use was largely increased, so that in the business section the pressure is great enough to force many streams over the highest buildings by connecting the hose directly to the fire hydrants.

NELSON AGENCY.

By CONSULAR AGENT WALTER S. RIBLET.

This district suffered from the general financial depression, and in addition local conditions to a certain extent caused an added depression, which embraced the whole of this agency.

The closing of the local smelter late in 1907 resulted in a decrease in the amount of lead exported to the United States, and also had the effect of temporarily reducing the output of several properties depending upon this enterprise. Conditions, however, are adjusting themselves, and it is expected that during the present year operations will progress in such a manner as to benefit the whole district.

In August, 1908, the Fernie fire, the most destructive in the history of Canada, destroying hundreds of buildings and millions of feet of standing timber, had its effect on this immediate vicinity and over the whole district. Occurring as it did in the center of the coal and coke producing section of the country, this product was cut off for a

time, resulting in a diminished output from the smelters depending upon their supply of these products from the burned district.

MINING CONDITIONS.

The mining industry probably suffered less from the financial depression than did many others, and reports received from conservative mining men throughout the district indicate that this industry is upon a more substantial basis and in a more healthful condition than it has been for several years. In the production of copper, this district has, with all the adverse conditions, exceeded the record of any previous year, and far surpasses that of any district in the province. The total value of copper exported in 1908 is less than that of former years, which was due to a portion of the product being diverted through other ports and not to a decrease in the production. There should be an increased demand for mining machinery and supplies used in mining operations. This should apply particularly to gold-mining machinery, as several gold districts are developing mines of a very substantial character.

An electric zinc smelter at Nelson has been completed and operations were started late in the year, producing spelter and lead-silver bullion from mixed zinc-lead ore. The new plant is a departure in the smelting of ores, using a current of electricity in place of a blast, which enables the zinc to be saved in the smelting of any ore. Owing to the great value of the process, the provincial government assisted in the installation of the plant and the results have been very satisfactory.

LUMBER AND FRUIT INDUSTRIES.

The lumber industry no doubt felt the financial stringency more quickly than others and there was a general decrease in the production for the year. The prospects, however, for the coming year are much better, and an increased trade is anticipated. Apparently American lumbermen are anxious to secure as much as possible of the timber lands in this section, as is evidenced by the numerous and extensive purchases made by them of large blocks of standing timber. American manufacturers should find this a good field for the sale of wood-working machinery of various kinds and supplies used in connection with lumbering.

The fruit industry bids fair to become one of the most important in this section of the country. The Kootenay district, of which Nelson is the commercial center, is particularly adapted to the growing of apples, pears, plums, and all kinds of berries and cherries. The acreage in fruit trees in this section is estimated at between 1,500 and 2,000 acres, and preparations are being made to increase this very materially during the present year. While most of the orchards are as yet nonproducing, a sufficient number have been bearing for several years to demonstrate the adaptability of this soil and climate to the raising of the choicest grades of fruit. There will undoubtedly soon be a demand for all kinds of modern machinery, implements, and devices necessary for the cultivation, growing, and marketing of fruits. Particular attention is directed to spraying devices, both those for the large and those for the small grower, as well as to modern machinery for cultivation.

DEMAND FOR MOTOR BOATS—EXPORTS TO UNITED STATES.

The motor-boat industry is becoming an important one and the volume of business done during the past year was considerable. There is now a fleet of about 150 motor boats on the lake adjacent to Nelson, besides a great number of smaller boats and canoes of various kinds, which will be materially increased during the present year. A local plant for the manufacture of motor boats has recently commenced operations and has several orders under way. It is believed that a good business will be done in this line. There should be a good market for boats, gasoline engines, and all kinds of boat accessories.

Building operations were carried on quite extensively during the past year and a renewed activity is anticipated for the coming year, which should create a market for building material and supplies of this character.

The declared value of the exports to the United States for 1907 and 1908 was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bullion:			Wood, and manufactures		
Gold.....	\$11,000	\$51,372	of—Continued.		
Lead.....	185,138		Poles.....	\$6,039	\$2,602
Copper, blister.....	3,400,261	2,563,252	All other articles.....	31,150	536
Emigrants' effects.....	14,838	6,045	Total.....	3,661,422	2,670,157
Furs, raw.....	400	337	Returned American goods.....	12,977	8,591
Ore, zinc.....	10,179	4,904	Grand total.....	3,675,399	2,678,748
Wood, and manufactures of:					
Lumber.....	2,417	11,109			

VICTORIA.

By CONSUL ABRAHAM E. SMITH.

The principal feature of the year on Vancouver Island was the success of the fishing industry. On the west coast there were nearly 500 whales caught, a record never equaled, yet because of the unprecedented fall in the price of oil the profit was not up to expectation. On the east coast, near Nanaimo, 20,000 tons of herring were caught, nearly double the amount of any previous season. It is officially stated that the halibut catch in the gulf adjacent to Vancouver Island reached over 40,000,000 pounds, valued at nearly \$2,000,000, although no exact statistics are given.

The salmon pack of the Province for 1908 was 542,689 cases, against 547,459 cases in 1907 and 629,460 cases in 1906. It is expected that in 1909 there will be the large run usual in the fourth year, and that the pack will exceed 1,000,000 cases, that in 1905 being 1,167,460 cases, worth \$8,330,713. Great preparations are being made by various canneries in anticipation of this big run, and nothing is left undone to secure the largest possible pack. All those engaged hope this year to make up for the outlay of the past three years, which have not yielded expected returns.

The sealing catch of the Victoria fleet was smaller in 1908 than previous years, being only 4,452, exclusive of 502 caught by Indians against 5,397 in 1907. Only 9 schooners were employed in sealing

in 1908, against 15 in 1907. The fleet also captured 33 otter skins. However, the halibut, cod, whale, and other fisheries more than made up the deficiency, and it is officially stated that the total value of the fish products of the waters of British Columbia for 1908 was about \$8,000,000.

DAIRY AND POULTRY PRODUCTS—FRUIT SHIPMENTS.

Dairy returns of the Province up to December 31, 1908, show that the creameries in operation manufactured 1,846,977 pounds of butter worth \$570,368; also that the cheese factories turned out 179,500 pounds of cheese, valued at \$22,680. There were 18 creameries in operation in 1907 and 22 in 1908. In addition to the above about 450,000 pounds of dairy butter were made in the Province. Only about one-third of the poultry and eggs consumed is supplied locally. The average price of eggs has advanced from 30 cents per dozen in 1905 to 40 cents in 1908. Eggs handled in Victoria were sometimes as high as 75 cents per dozen and during 1908 aggregated 78,900 dozens produced locally and 45,000 dozens imported. Altogether the Province imported \$720,000 worth of eggs and about the same value of dressed poultry. The imports of live stock and dressed and cured meats were large and mostly from the United States, aggregating in value between \$5,000,000 and \$6,000,000. The live stock imported included 11,400 head of cattle, 14,272 hogs, and 35,000 to 40,000 sheep. Fifteen thousand carcasses of mutton were received from Australia and 40 carloads of poultry from eastern Canada.

Notwithstanding the largely increased fruit crop of 1908, about 1,000 tons of apples alone were imported into British Columbia from the States of Oregon and Washington.

The fruit shipments of the Province for 1908 show an increase of 1,755 tons over 1907, the totals being 4,743 tons in 1907 and 6,498 tons in 1908. The total shipments in 1902 amounted to only 1,956 tons. During the year the fruit acreage was materially increased, a fact which may be realized from the quantities of fruit trees imported, which included 346,877 standard fruit trees, 924,629 seedlings and grafts, 5,402 nut and fig trees, 199,601 of small fruits, 130,731 of miscellaneous stock, total 1,607,240. Of the total number 16,695 trees were condemned and destroyed by the provincial fruit inspectors on account of disease.

BUSINESS OF VICTORIA.

As compared with 1907, there was a marked falling off in values of real estate in Victoria during 1908. The year was one of comparative stagnation, except for the work being done by the Canadian Pacific Railroad Company in extending its line from Wellington and Nannoose Bay to Alberni. There was a fair demand for labor in the city, as improvements, such as sewers, cement sidewalks, etc., were pushed steadily. There was also a large number of residences erected, generally for immediate occupation by owners, the amount of building for which permits were issued averaging \$100,000 per month, though the business thoroughfares remain almost unchanged. The competition which has existed since June, 1908, between the

Canadian Pacific Steamship Company and the Alaska Steamship Company has resulted in increased traffic between Victoria and Seattle, the arrivals reaching during July as high as 2,000 per day. The Dominion immigrant inspector reports there were 123,290 arrivals in Victoria during the fiscal year ended April 1, 1908, and that of those arriving 78,473 remained here; also that during the calendar year 1908 there were 150,000 arrivals from and departures for Puget Sound ports, most of the travelers remaining in the city only a few days or even only a few hours. Immigrants from the Orient during the calendar year numbered 14,118.

PROVINCIAL FINANCES.

Notwithstanding the financial crisis, the finances of British Columbia were in better condition at the close of the fiscal year, June 30, 1908, than at any other time in the history of the Province. This was caused principally by the enormous investments, almost entirely by capitalists of the United States, in timber royalties and licenses, and timber leases during that period, which amounted to \$2,332,610, as compared with \$1,250,665 in 1907, and by the increase in Chinese immigration, from which a tax of \$18,800 was collected in 1907 and \$345,000 in 1908. Receipts from the new tax on coal aggregated \$125,519, and mining receipts and certificates, \$145,585. The total revenue of the Province was \$5,979,055 in 1908, against \$4,444,594 in 1907. The total expenditures of the Province during the fiscal year 1908 were \$4,541,278, including \$168,928 paid into sinking funds and \$686,000 paid for redemption of provincial bonds not due. The amount of cash on hand and in bank to credit of the Province on June 30, 1908, was \$3,267,616.

A statement was made by the finance minister in regard to provincial finances on January 1, 1909. This showed that during the last six months of 1908 the total receipts of the Province were \$2,799,195, of which \$1,316,887 were from timber leases, royalties, and licenses. The expenditures during the same period amounted to \$2,286,448, including \$211,305 paid in London on half-yearly interest and sinking fund due December 31, 1908. The Government is making every effort to redeem outstanding bonds, but investors generally do not care to have the Province anticipate the date of payment.

The financial minister gives estimates for the fiscal year ended March 31, 1910, as follows: Receipts of Province \$5,948,627, of which \$2,325,000 will be from timber leases, licenses, and royalties; expenditures \$5,615,798. The debt of the Province has decreased from \$8,764,412 in 1904 to \$4,226,887, over 50 per cent.

The inland revenue for Vancouver Island during 1908 amounted to \$229,656, an increase of \$19,070 over 1907. The post-office business also showed an increase over 1908, returns being \$67,400 in 1907 and \$71,500 in 1908.

HARBOR IMPROVEMENTS—BOUNTY FOR DESTRUCTION OF ANIMALS.

The dominion government has made an appropriation of \$150,000 for dredging and drilling rocks in the inner harbor of Victoria, more than twice the amount expended last year. It is proposed to deepen

the upper basin above the Esquimalt and Nanaimo Bridge to a depth of 25 feet at mean low water, and the channel and outer basin of the inner harbor to a depth of 20 feet at the lowest state of the tide, which will give a mean average depth of about 25 feet.

While during the year steady employment has not been secured for laboring men, there were few cases of actual want. The city has employed constantly from 600 to 700 men on the streets, which has tended greatly to relieve the labor problem.

The timber standing in British Columbia is estimated at 80,000,000,000 to 100,000,000,000 feet. At the present rate of cutting, it is claimed, this will be entirely consumed in about 75 years.

The provincial government has announced its intention to put a tax in the near future on all iron ore mined in British Columbia, and a bounty on iron ore smelted in the Province.

During 1908 the provincial government paid \$12,573 in bounties for destruction of wolves, panthers, and coyotes. The bounty on wolves was raised from \$7.50 to \$15 on account of the great damage done by these pests.

LUMBER INDUSTRY.

The year 1908 opened with most of the lumber mills in the Province, both coast and interior, shut down with heavy stocks on hand. These conditions continued throughout the season, production and sales falling far below those of 1907. Prices also fell off. In the closing months of the year only 6 mills out of a total of 60 in the interior were cutting, and only 2 were running on Vancouver Island. The production of logs was also below that of the preceding year, and stocks during the autumn were much lower than in 1907. The embargo on the export of logs was raised by the provincial government for several months in order to avert destruction by the "teredo" (an insect which penetrates and honeycombs logs kept in water, rendering them worthless), while there was no demand from provincial mills. It was expected that the good harvest in the northwest provinces would result in an improved demand for lumber in the closing months of the year, but there was little improvement, though other lines of business progressed. The result was that during December lumber was at a lower price than has been known for years, which had the effect of greatly stimulating building, especially of cottages by persons of small means. Great advances are expected in 1909, when the demand is deemed certain to be quadrupled.

Several new lumber mills of extensive character are being projected by American capitalists and others who have altogether invested millions of dollars in timber in the Province, to enable them to realize on their investments. The retail stocks in the prairie provinces are below the average, and this fact, with the anticipated opening of markets in the United States, renders the trade confident of much better conditions during 1909 in the lumber industry. It is estimated that the total amount of lumber cut in the Province during the year was 1,000,000,000 feet.

The official figures of timber cut on government lands for the twelve months ended December 31, 1908, show a total of 560,364,560 feet. The quantities cut on the railway belt on Vancouver Island

are not yet available, but will not equal that of 1907. At the close of that year, there were estimated to be 170,000,000 feet of logs in the water and about 100,000,000 feet in the woods, while at the end of 1908 the supply of logs was only 70,000,000 feet. The log-scaling returns for 1908 show a total of 403,273,539 feet, more than 100,000,000 less than in 1907.

WIRELESS TELEGRAPHY.

The United Wireless Company is equipping a station at Ketchikan, Alaska, to communicate with the northern steamers. The company has stations of 2 kilowatts power (kilowatt=1.3411 horsepower) at Catala and Cordova and the Ketchikan station will have a power of 10 kilowatts. It will communicate with the Friday Harbor and Victoria stations.

Wireless telegraph apparatus is now being placed on all the large tugs which do scouting at the entrance to the Strait of Juan de Fuca, and it is expected that before the end of 1909 scouting off Capes Flattery and Carmanah will cease, as with vessels and tugs both equipped with the wireless telegraph it will not be necessary for the tugs to lie at the mouth of the straits to await vessels. The Canadian Pacific has given orders for the equipment of all its fleet of steamers with wireless as soon as possible.

OCEAN TRANSPORTATION AND NAVIGATION STATISTICS.

At the close of the year the new passenger steamer built on the Clyde by the Canadian Pacific Railway, for the triangular run between Victoria, Seattle, and Vancouver, at a cost of \$675,000, arrived from Scotland and was placed in service. It is the largest and finest as well as the fastest steamer now engaged in that traffic. An additional steamer has also been placed on the Prince Rupert run.

The Canadian-Mexican Line of steamships, organized in 1907, continues to run a regular steamer, leaving Victoria the last day of each month for Mexican ports direct, connecting with the Tehuantepec National Railway of Mexico. Another line, with headquarters at Seattle, was organized last year, and has monthly service from Seattle, by way of Vancouver and Victoria, not only to Mexico, but to California and Central and South American ports. The steamers of the line call at San Benito, Ocos, Champerico, La Libertad, and other ports, going as far south as Corinto, and in returning stop at La Union, Acajutla, San Jose de Guatemala, and ports along the coast of California. Special attention is to be given the handling of fruit from Mexican and Central American ports to California, Puget Sound, and British Columbia. This line is reported to have received a subsidy from the Mexican Government.

The Pacific Coast Steamship Company of San Francisco now has steamers leaving Seattle and calling at Victoria every six days for San Francisco and San Diego. There have been no other changes in regular transportation service here. The *Nippon Yusen Kaisha* continues semimonthly service by way of Victoria between Seattle and the Orient.

Arrangements have been made for a new steamship line to commence running between Puget Sound, touching at Victoria each way,

and the Orient, in connection with the Chicago, Milwaukee and St. Paul and Puget Sound railways. The first steamer expected is the *Tacoma Maru*, which should tie up on August 1, and this will be followed by the *Seattle Maru* a month later.

During the twelve months ended March 31, 1908, 3,380 vessels of all classes and nations, ocean and coasting, entered the port of Victoria, their total tonnage being 1,993,139; there cleared during the same period 3,472 vessels, of 2,041,663 tons. In the ocean trade 454 steamships and 37 sailing vessels under the British flag, of 579,228 tons and 19,863 tons, respectively, entered. The number of other steamships entered was 595. In the coastwise trade 2,172 screw steamships, 67 stern wheelers, and 51 sailing ships and barges, under the British flag, having a total tonnage of 599,809 tons, were entered; also 4 foreign vessels.

RAILROADS ON VANCOUVER ISLAND.

Among the railway charters granted by the provincial parliament is one for a railroad between Banfield Creek, the terminus of the cable telegraph station on Barkley Sound, and Beechy Bay, opposite Port Angeles, Wash. The building of this line is understood to be dependent on the extension of the American transcontinental railroads to Port Angeles.

Work is steadily progressing on the extension of the Esquimalt and Nanaimo Railroad from Wellington, on the east coast, to Alberni, at the head of Barkley Sound. A large gang of workmen is employed on it, and its completion during 1910 is confidently expected. The road is owned and controlled by the Canadian Pacific Railroad Company. That the road will ultimately be extended to Cape Scott, the extreme northern point of the island, there seems to be no doubt.

Victoria merchants are pleased that arrangements have been perfected with the Canadian Pacific Railway by which differential rates on Victoria shipments are removed, and the city now enjoys the same terminal freight rates as other British Columbia ports. This is also in effect to Seattle, and as a result larger quantities of goods from the United States are being sold here than ever before.

During the year there was an increase of passenger traffic on the Victoria electric street railway of 500,000 over that of 1907. The British Columbia Electric Company gave to employees \$66.78 bonus per man in 1908. About 700 men participate in these bonuses in Victoria, Vancouver, and New Westminster. As an evidence of the increased business of this company since 1902, when the profit-sharing system was first installed, it may be stated that in 1903 each man received \$25; 1904, \$35; 1905, \$40; 1906, \$45; 1907, \$53; and 1908, \$66.78.

MINING OPERATIONS.

During the year several new coal mines were opened adjacent to the east coast of the island, which are being successfully worked. Large shipments of coal have been made to Seattle and other United States ports.

The reduced prices of minerals generally have had a depressing effect upon the mines of British Columbia. Indeed, several were closed during most of the year. The value of the product of the mines for 1908 is estimated by the provincial mineralogist at \$24,829,252, against \$25,882,560 in 1907, a loss of nearly \$1,000,000. Notwithstanding that the actual production of minerals was larger than in any previous year, the increase in copper alone being over 1,000,000 pounds, the total cash value shows a heavy decrease, the prices of silver, lead, and especially copper, being much below the average of recent years; that the last named, it is claimed, is below cost of production in this Province at the present rate of miners' wages. The aggregate value of British Columbia's mineral production to the end of 1908 is, in round figures, \$323,000,000. This total may be apportioned approximately as follows: Placer gold, \$70,000,000; lode metals (gold, silver, lead, and copper), \$150,000,000; coal and coke, \$95,000,000, and building stone, brick, cement, etc., \$8,000,000.

EXPORTS TO THE UNITED STATES—IMPORTS.

The declared value of exports from this consular district to the United States during 1907 and 1908 was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Acid, sulphuric.....	\$607	\$657	Wood, and manufactures of:		
Cement.....		27,140	Logs.....	\$28,973	\$131,877
Clams.....	18,879	3,617	Lumber.....	31,467	6,397
Coal.....	1,416,174	1,333,514	Shingles.....	109,407	20,235
Coke.....		21,994	All other articles.....	28,997	28,533
Copper.....	1,067,217	225,993	Total.....	3,100,285	2,136,668
Curios.....	6,029	886	Gold and silver:		
Fish.....	85,536	65,230	Gold bullion.....	302,631	45,007
Fertiliser.....	71,998	81,478	Silver.....	82,252	
Furs.....	77,764	43,164	Returned American goods.....	40,261	76,032
Hides.....	88,519	88,314	Grand total.....	3,525,429	2,257,707
Household effects.....	18,333	23,984			
Liquors.....	45,344	23,423			
Opium.....	5,149	9,772			

There was a great decrease in exports the last year, amounting in value to \$1,267,722. The principal items of decrease in 1908 from 1907 were copper, \$841,224; shingles, \$89,172; gold bullion, \$257,624; silver, \$82,252; and coal, \$82,660. The export of logs to the United States increased from \$28,973 in 1907 to \$131,877 in 1908.

According to returns from the department of customs at Ottawa, there were imported into British Columbia for consumption, chiefly from the United States, the following: Butter, cheese, and milk, valued at \$180,000; eggs, \$67,000; meats, \$741,000; fruits, \$258,000; vegetables, \$144,000; hops, malt, etc., \$88,000; and other articles, \$377,000, making a total of \$1,865,000.

The total value of imports at the Victoria custom-house for the fiscal year ended June 30 was: For 1906-7, \$4,252,762; for 1907-8, \$4,971,045; and for the calendar year 1908, \$4,859,609. The total revenue collected by the custom-house in the calendar year 1908 was \$1,374,534, of which \$329,921 was paid in by Chinese immigrants.

MANITOBA.

WINNIPEG.

By CONSUL-GENERAL JOHN EDWARD JONES.

The year 1908 was a generally successful one throughout western Canada, and this section made visible recovery from the comparative failure of crops and general business in 1907. The winter of 1906-7 was a particularly severe one and unusually long. Spring was backward, and the late summer was marked by frosts that checked the crops in some parts of the west and totally destroyed them in others. This brought western Canada to the fall of 1907 with a grain crop greatly diminished in volume and generally poor in quality. The total of the wheat crop of the year was placed by experts at 70,000,000 bushels, of which approximately 40,000,000 bushels was good flouring wheat. Fairly good prices helped somewhat to raise the level of financial returns, but the general shortage of the grain crop, together with the financial depression that was world-wide in its effect during 1907, combined to check progress very materially.

AGRICULTURAL PRODUCTS.

Cattle and horse raising suffered by reason of the long and hard winter of 1906-7, many cattle, as well as some of the less hardy horses, dying on the ranges. As an offset to a year of so much disaster and so little compensation, the year 1908 was a signal success. The winter of 1907-8 was not severe, and spring came early. This enabled the farmers to get large areas of wheat planted in good season, and the crop had a splendid season throughout. The early planting of wheat made it possible for the farmers to plant largely of the coarser grains, and these also gave good returns. The harvest season was no less favorable than that of planting and growing, and there has never been a year when the grain crop was marketed with such celerity on the part of the transportation companies, and for prices so generally high in a season of good crops. All of this has operated to put western Canada on its financial feet again, and to place the business affairs of this consular district in a promising condition for 1909.

The value of agricultural products passing through the Winnipeg market during the year ended December 31, 1908, was as follows: Wheat, \$50,356,352; oats, \$4,168,125; barley, \$1,324,470; flax, \$1,637,440; potatoes, \$3,389,164; turnips, etc., \$706,482; hay and clover, \$1,571,417; sugar beets, \$208,000; cattle, \$7,245,599; hogs, \$1,586,337; sheep, \$129,629; and dairy products, \$1,650,852; total, \$73,983,867.

The quantity of cereals inspected at Winnipeg in each of the past three years was as follows:

Cereal.	1906.	1907.	1908.
	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>
Barley.....	1,269,600	1,798,800	2,703,000
Flax.....	434,000	895,000	1,376,000
Oats.....	4,186,450	5,577,000	11,115,000
Rye.....			84,000
Wheat.....	34,111,600	31,780,360	53,505,350
Total.....	40,001,650	40,051,160	68,783,350

YIELD AND CONSUMPTION OF GRAINS.

Western Canada from the Red River to the Rocky Mountains yielded a crop for 1908 of all grains of some 226,000,000 bushels, and of wheat alone of 102,000,000 bushels. This is an increase in wheat of 32,000,000 bushels over the 1907 crop. The wheat crop 30 years ago was practically nothing, and there are areas of wheat-growing land yet to be brought under cultivation, compared with which the acreage now under cultivation is a mere speck on the map.

The local consumption of wheat in western Canada is less than 30,000,000 bushels, and this includes the wheat used for seed. So that taking last year's crop as a basis, something like 85,000,000 bushels found its way east for consumption and exportation.

The handling of this crop is of serious concern to the farmer. Upon the success of his wheat crop depends his wealth, his living, and oftentimes his solvency. Where farmers in the United States have other crops to fall back upon in the event of a failure of one of them, the western Canadian farmer puts his all into wheat, with the exception of isolated instances where cattle raising is pursued.

LIVE-STOCK INDUSTRY.

In Alberta and Saskatchewan and to a lesser extent in Manitoba the live-stock industry is making rapid progress. The year 1908 was an excellent one, and the receipts of live stock at the stock yards in Winnipeg were nearly double those of any previous year. The average price for export cattle was about \$47 per head at the shipping point, which is considered an excellent figure. There was more competition in buying at both country points and market centers, and it is figured that the average price paid for all cattle on the hoof was 3 cents per pound. This is a low price, and is explained only by the fact that the Winnipeg market was glutted with cattle which the hard times of 1907 forced. The figures for the year show that 170,088 head of cattle were received. Of this number but a small percentage, or 91,045 head, were in a fit condition for export.

The market for hogs during 1908 showed a sharp decline in prices from those of the three previous years. The lower prices in this market are attributed largely to the slump in Chicago. The controlling influence as to price is the cost at which American pork can be landed in Winnipeg, duty and freight paid. There has been a steady advance in hog raising in western Canada during the past four years.

One of the most profitable branches of stock raising for 1908 was sheep raising, and while the receipts do not show that increase which should be expected in view of the demand, the farmers realized a fair return. Western Canada does not raise sheep enough to supply the local markets, and frozen mutton from Prince Edward Island continues to arrive in large quantities. The total value of the 1908 sheep marketed at Winnipeg was placed at \$129,629. The sheep averaged 80 pounds in weight and brought approximately 8 cents per pound to the farmer f. o. b. Winnipeg.

DAIRY PRODUCTS AND ROOT CROP.

There was a material increase in the amount of butter manufactured during 1908 in all three of the western provinces. Prices were good and averaged about 20 cents for dairy and 22 cents for creamery

in Manitoba, as against 24 cents for creamery in Saskatchewan and 26 cents for creamery in Alberta. Manitoba imports large quantities of butter from eastern Canada, and yet is unable to secure as good prices for its product as the other provinces to the west.

For the first time in the history of western Canada it is possible to obtain figures showing the volume of production and the values of root crops. Heretofore these crops have been so dominated by the grain crop and the live-stock industry that figures have not been taken with sufficient completeness to show the importance of these minor crops in the markets.

As against the grain crop they still show very small returns in value, but there is every reason to believe that the importance of these lesser crops will grow with each year, as the relative value and need for mixed farming becomes impressed upon the minds of the western Canadian farmer, a process which has already made a substantial beginning.

The following table shows the potato, root, and fodder crops, their estimated values, and the quantity in each of the following provinces during 1908:

Crop.	Acreage.	Total yield.	Price per bushel.	Total value.
ALBERTA.				
Potatoes.....	13,200	<i>Bushels.</i> 1,986,800	\$0.44	\$865,392
Turnips, etc.....	2,500	670,000	.30	201,000
Hay and clover.....	57,000	α 111,345	7.60	846,000
Sugar beets.....	5,200	α 41,600	5.00	208,000
MANITOBA.				
Potatoes.....	20,000	3,806,400	.38	1,446,432
Turnips, etc.....	3,000	1,440,000	.26½	381,600
Hay and clover.....	119,200	α 214,561	7.42	1,592,042
SASKATCHEWAN.				
Potatoes.....	16,600	1,826,000	.59	1,077,340
Turnips.....	1,643	476,470	.26	123,882
Hay and clover.....	143,000	α 27,170	4.90	133,133

α Tons.

By reason of the excellent crop results that have attended the season of 1908 the farmer has taken his place among the money-making men of western Canada and occupies a position that augurs well for 1909. The farmer has learned that with complete equipment on the farm not only are his labors lessened, but the net results attained are much larger.

RAILWAY CONSTRUCTION.

Railway building in western Canada occupies a position in many respects different from that in other countries, as the lines pave the way for settlement instead of waiting for the country to be developed. They have taxed their resources to the limit to provide the transportation facilities demanded by the incoming settlers and have extended their lines with great rapidity.

It is generally supposed that owing to the financial depression during the past year railroad development in the Canadian west was at a standstill. This is far from true. While there has not been that extension which everyone expected when the plans of the railroads

were given out at the beginning of the year, yet 1,925 miles of rail was actually laid; and this does not include a large amount of track which needed only proper ballasting to be ready for service.

The mileage which has been added to the various lines during the year was distributed among the Canadian Pacific, the Canadian Northern, and the Grand Trunk Pacific. From figures furnished by these roads the distribution was as follows: Canadian Pacific, 826 miles; Canadian Northern, 245 miles, and Grand Trunk Pacific, 854 miles. The total mileage of the Canadian Pacific Railroad west of Port Arthur at the close of the year was 6,160 miles; Canadian Northern, 3,119 miles; Grand Trunk Pacific, 854 miles; and Great Northern in western Canada, 624 miles, making a total of 10,757 miles.

COMPLETION OF MANY MAIN AND BRANCH LINES.

The work of the Grand Trunk Pacific during the year was confined in western Canada to the construction of the main line and the Lake Superior branch. The latter was completed and trains are being operated on it to a point of junction with the main line from the city of Hawkins, Saskatchewan, 680 miles west. At various points along the line it was necessary to erect bridges of considerable size. One of the most important of these is at Clover Bar, near Edmonton, Alberta, where the largest single concrete piers in the country were constructed, at a cost for the entire structure of nearly \$1,000,000. In Winnipeg good progress is being made on the union depot, which will house the Grand Trunk Pacific and Canadian Northern jointly.

On the Canadian Northern lines there was completed the new branch from Regina to Brandon, which is considered important in that it affords direct communication with Regina and also affords direct connection with the line running from Regina to Prince Albert. Track was also completed on the Thunder Hill extension and on the Goose Lake branch.

On the Canadian Pacific there were completed the double track between Fort William and Winnipeg; the line from Strassburg to Saskatoon, on the Kirkella branch; the line from Saskatoon to Wilkie, on the way to Edmonton; the line from Wolseley to Reston; the line from Teulon to Komarno, and a line from Virden north 10 miles. The grading was completed on the line from Saskatoon to Hardisty, and some grading was done on the line to the Icelandic River. Among other improvements on the central division were the relaying on the Souris branch of 85-pound steel rails, the building of a new engine house at Minnedosa and one at La Riviere, the installation of cables at the Fort William coal docks, new pumping station at Portage la Prairie, and the creation of experimental farms. These experimental farms are to be operated by the railroad for the purpose of supplying its numerous hotels and dining-car service with comestibles.

On the western division of the Canadian Pacific the line from Moose Jaw to Outlook was completed. Work was done on the change of line between Lethbridge and Macleod on the immense bridge over the Belly River and on the grade-reduction work on the Medicine Hat section. Numerous old bridges were replaced with steel spans on concrete foundations. On the Calgary, Medicine Hat, and Lethbridge sections ballasting and widening of the dump, and on the Crows Nest and Sidar sections relaying with 80-pound steel rails, were finished.

On the Pacific division of the Canadian Pacific considerable minor work was done, the most important being the building of a steel bridge over the Fraser River, at a cost of \$250,000.

NEW TRANSCONTINENTAL SYSTEM.

Very largely the Grand Trunk Pacific is a Dominion government project. The government has engaged to build the road from Moncton, Nova Scotia, to Winnipeg, Manitoba, and to lease it for a period of ten years to the Grand Trunk Pacific, without cost to this corporation, together with the cost of guaranteeing bonds for the construction of the system west of Winnipeg to the Pacific coast at Prince Rupert. Governmental expenditure for the new road has been figured at a minimum of \$73,691,706 by the minister of finance for the Dominion and at \$180,845,683 by others. Whatever the cost may be, the new transcontinental system, with the branches, lake steamers, and ocean-going vessels that are included in the plans, will be of immense service to the people of Canada, as well as a great factor in its development.

From Moncton to Winnipeg the new system is called the National Transcontinental and west of Winnipeg it takes the name of the Grand Trunk Pacific. About 210 miles of steel of the National Transcontinental were laid during the year and grading is well under way on nearly all the contracts let by the commission. The total expenditure on the road to date has been, according to reliable reports, \$47,000,000. The most active operations during 1909 will be between La Tuque, Quebec, and Moncton and upon the first 180 miles east of Winnipeg, upon which the work of steel laying will be pushed. The year 1909 will also mark the beginning of the big terminal shops at Winnipeg.

The plans of the Saskatchewan provincial government for assisting the development of railway communication within that province provide for assisting the branches of the Grand Trunk Pacific in all for about 200 miles.

RAILWAY PROBLEMS TO BE SOLVED.

The chief problems of the railroads of western Canada have to do with the wheat crop, its harvesting and marketing. The joint efforts of the western provinces and the railway companies are exerted each summer to transport from the east an army of harvesters aggregating 20,000, without whose assistance the cutting and thrashing of the crop would be an impossibility. From the time that the harvesters arrive the transportation question becomes the vital one to the Canadian wheat crop.

East of Winnipeg two single lines of track connect the western wheat fields with the ports of Lake Superior, these being the main lines of the Canadian Pacific and Canadian Northern Railways. As there are now three main lines and many branches running into Winnipeg, the whole system might well be compared to a funnel into which a score of streams are constantly pouring and of which the outlet must be kept clear, or the streams will be checked or stopped entirely. When such a contingency arises, the result is a wheat blockade.

As Lake navigation closes officially December 5, every effort is put forth to get as much as possible of the crop sent forward before that

date to avoid the necessity of either paying the heavier rail transportation charges or incurring storage charges in the elevators. The exigencies demand rapid service, and especially over those divisions which connect Winnipeg with Fort William and Port Arthur.

IMPORTANCE OF ELEVATORS FOR STORING GRAIN.

Elevators for the storing of grain at the various receiving and shipping points along the lines that cover the wheat country and at the Lake ports of Fort William and Port Arthur are very important factors in the transportation system, upon which the western Canadian farmer and dealer depend.

Some idea of the amount of work the elevators at the head of the Lakes are called upon to perform may be gleaned from the fact that during the open season of 1908, 36,013,617 bushels of wheat, 5,953,201 bushels of oats, 1,450,864 bushels of barley, and 517,913 bushels of flax were loaded from the elevators into the waiting vessels, making a total of 43,935,595 bushels of all grains loaded outward for the season, compared with 23,482,497 bushels for the year 1907. That in 1908 is by far the largest amount ever handled in one season at the Lake ports.

According to the warehouse commissioner of Manitoba the capacity of elevators west of the Lakes is 42,812,400 bushels, as against 39,734,000 in 1907. To this must be added terminal storage of 18,352,700 bushels at Fort William and Port Arthur and 1,300,000 at mill elevators at Keewatin, making a total west of the Great Lakes of 62,965,100 bushels, as against 58,482,700 in 1907.

The interior elevator capacity divided by provinces gives Manitoba 678 elevators and 13 warehouses with a capacity in all of 20,558,500 bushels; Saskatchewan, 607 elevators with a capacity of 17,699,500 bushels; and Alberta, 120 elevators and 14 warehouses with a capacity of 4,386,400 bushels. British Columbia has but 3 elevators with a capacity of 276,000 bushels.

The Canadian Pacific Railway has 949 elevators and 12 warehouses; the Canadian Northern Railway has 386 elevators and 12 warehouses; the Great Northern, 23 elevators; and the Grand Trunk Pacific, 39 elevators.

LOANS, MORTGAGES, AND INSURANCE.

In a country so new and of such rapid development as western Canada, the business of loaning money for various business enterprises, for mortgages on farms, and for financing the wheat crop is an important one. Rates of interest rule higher than in older communities, and there is no reason for supposing that there will be any appreciable falling off in the near future either in the volume of business or in the rates obtainable for money loaned upon the security of farm property and other classes of real estate holdings.

From the loan companies operating in western Canada, or in the three prairie provinces, the farmers have borrowed \$50,000,000 to date. Of this sum the farmers of Manitoba borrowed \$30,000,000, and those of Saskatchewan and Alberta \$20,000,000. This sum does not represent the whole of the money borrowed upon mortgage security. In Manitoba alone life insurance companies have invested in this class of security something like \$18,750,000.

There has been during the past three or four years a very marked increase in the amount of money borrowed, and the rates have remained high. In Saskatchewan and Alberta the rates of interest on mortgages are 9 per cent, while in Manitoba 7 per cent is the rule in the well-settled districts. Within the next few years the demand for money will be great on account of the large number of new settlers.

The year 1908 was not a good one for fire insurance companies in western Canada. There were several large conflagrations, and the profits to the companies, if there were any, were small. Then the financial conditions early in the year operated in no small measure to curtail income. The fire insurance premiums paid increased from \$752,755 in 1901 to \$1,900,000 in 1908.

BANK CLEARANCES—TELEPHONES.

As a reliable index of general business conditions, the bank clearings of a city which feeds a large section of country, as the city of Winnipeg does, may be taken with confidence. These figures for six years, up to and including 1908, are as follows: 1903, \$246,108,006; 1904, \$294,601,437; 1905, \$369,868,179; 1906, \$504,585,914; 1907, \$599,667,576; and 1908, \$614,111,801.

The increase for 1908 was by far the smallest shown during the six years, a fact to be very largely accounted for by the severe blow dealt to business in Winnipeg by the panic of 1907, from which it is now recovering rapidly.

Thus while the amount of money expended for new buildings in Winnipeg during 1908 fell to \$5,513,700, as compared with \$12,625,950 in 1907, the year 1909 has started off with an increase of 700 per cent for the first two months in the cost of buildings for which permits were issued. Returns from the several cities of Canada show that Winnipeg is third of the larger cities in the Dominion in building operations during 1908. This list showed Toronto to lead with \$12,447,467; Vancouver, \$5,950,923; Winnipeg, \$5,513,700; Montreal, \$5,062,326; Edmonton, \$2,549,847; Fort William, \$1,560,735; and Victoria, \$1,214,230.

The year 1908 was the first of government ownership of telephones in Manitoba. The system was purchased from the Bell Telephone Company at a cost of \$3,400,000. This price was considered not too high in consideration of the fact that the business acquired was a growing one, and that the purchase was made in such a way as to leave the field clear for governmental operation. At the end of the year and during the annual session of the Manitoba legislature a report of the year's business of the telephone department was made, which showed a net profit of some \$268,000. Shortly afterwards the announcement was made that all telephone rates would be reduced, and a new list of charges was published.

A WESTERN CANADIAN WORLD'S FAIR.

A plan which took form in 1908 and which is being energetically pushed toward realization is that of holding a world's fair in Winnipeg in 1912. The plan as it has thus far been laid out is to call the event "The Selkirk Centennial," because it will commemorate the coming to western Canada of the Scotch and Irish settlers sent over in 1812 by Lord Selkirk, who took up their homes in this region and estab-

lished the village of Kildonan. The business men of Winnipeg have taken hold of the subject. Delegations have been sent to cities of the United States where similar celebrations have been held to get an idea of the net results in the shape of returns to the country. Several prominent citizens of the United States who have been identified with world's fairs were brought to Winnipeg upon the urgent invitation of the city and made addresses before those interested in the project. From all of the investigations thus far made the Winnipeg committee has received nothing but encouragement. Although the whole Dominion will be interested in the holding of such an exposition, the event will be very largely western Canadian. It will also be a matter in which the United States will have strong interest.

There are in the western provinces no less than 400,000 people who formerly lived in the United States. Attracted by the free land and cheap land, this number is growing larger each year. These people incline naturally to the purchase of goods of American manufacture and buy heavily of that class of necessities. Nearness to market and general appreciation of the quality of many lines of American manufacture and the activity and enterprise of selling agents for these goods have built up a large trade for various lines of manufacture produced in the United States. Thus a world's fair held in Winnipeg will undoubtedly be a rallying point for American manufacturers, particularly those producing farming machinery, boots and shoes, automobiles, and in fact all those lines for which the demand is steadily increasing.

MINERALS IN WESTERN CANADA.

The mineral deposits known to exist in western Canada are being developed slowly. The three prairie provinces are still largely dependent upon wood as the chief fuel, although some sections, such as Edmonton, Medicine Hat, the Red Deer country, and southern Alberta, have developed coal fields or natural gas in quantities sufficient to supply their needs for fuel in the case of coal, and for both fuel and light where gas wells have been sunk, as at Medicine Hat. There are large coal fields in western Canada, and a soft coal of rather inferior quality, but capable of producing considerable heat, is found in the Souris Valley and in the region around Estevan and Bienfait in Manitoba. There are other deposits of coal in Saskatchewan, some of which have been tested, others being as yet practically unknown. Around Lethbridge, in Alberta, there is a considerable coal-mining industry, some of the mines producing a fine grade of soft domestic coal. Around Medicine Hat there are large deposits of coal, which in some places can be dug out of the ground near the surface. The quality is quite satisfactory for domestic purposes and would be largely used by the people of Medicine Hat but for the fact that they have in natural gas a fuel much more convenient and on account of its abundance approximately as economical. Farther west in Alberta Province and in the mountain region anthracite is mined. Around the city of Edmonton there are very extensive deposits of soft coal which is reputed to be quite satisfactory for domestic purposes. It would seem with all these resources of fuel the people of western Canada need never face a fuel famine and that reasonable prices should always prevail. This is indeed a valuable resource where the winters are so cold.

A comparison of prices of various grades of coal as purchased in western Canada is interesting. In Winnipeg American anthracite from Pennsylvania is sold at \$10.50 per ton down to No. 2 nut, which brings \$9 per ton. American soft coal for domestic purposes is sold at \$8 to \$9 per ton. Lethbridge and Taber coal from the Alberta mines is sold at \$9 per ton. Souris coal brings from \$5 to \$5.50 per ton. At Moosomin, 219 miles west of Winnipeg, Pennsylvania anthracite is sold at \$12.50 per ton and competes with the anthracite from Banff, which retails at \$10.50 per ton. Taber coal is sold in Moosomin at \$8.50 per ton. Moosomin is 541 miles from Lethbridge and 703 miles from Banff. This illustrates a low stage of development of mining and transportation rather than a shortage of product, the fact being that coal is abundant in western Canada, but appears in parts widely separated.

EXPORTS BY PORTS—SHIPMENTS TO THE UNITED STATES.

The total exports, by ports, from the Winnipeg consular district for the calendar year 1908 were valued at \$21,975,102, distributed as follows: Fort William, \$9,874,557; Port Arthur, \$7,625,434; Emerson, \$1,935,652; North Portal, \$1,382,678; Gretna, \$714,092; Winnipeg, \$359,786; Brandon, \$67,809; and Kenosa, \$15,094.

The declared value of exports, including returned goods, from this consular district to the United States in 1908 was \$4,551,246. The articles and their values were as follows:

Articles.	Value.	Articles.	Value.
WINNIPEG.		PORT WILLIAM.	
Animals:		Breadstuffs:	
Cattle.....	\$45,045	Flour.....	\$25,416
Horses.....	13,200	Oats.....	1,183,665
Bones.....	8,547	Wheat.....	118,959
Breadstuffs:		Fish.....	35,594
Barley.....	9,834	Gold bullion.....	9,775
Bran.....	1,049	Household effects.....	4,906
Flour.....	1,152	Ore, silver.....	6,967
Oat hulls.....	16,784	Rubber, scrap.....	1,478
Oats.....	243,868	Screenings, wheat, etc.....	42,678
Wheat.....	4,678	Wood, and manufactures of:	
Fertilizers.....	2,946	Lumber.....	8,078
Fish.....	160,771	Pulp wood.....	109,408
Furs, raw.....	439,795	Ties.....	1,190
Hides.....	628,418	All other articles.....	1,859
Household effects.....	97,533		
Junk.....	37,520	Total.....	1,549,887
Lye, soap.....	12,769		
Rubber, scrap.....	15,973	KENOSA.	
Sausage casings.....	2,892	Fish.....	40,185
Seneca root.....	92,071	Furs, raw.....	1,187
Wheat screenings.....	5,942	Gold.....	26,851
Wood, manufactures of:		Settlers' effects.....	4,571
Lath.....	26,069	Wheat.....	1,915
Lumber.....	81,199	Wood, manufactures of:	
All other articles.....	19,528	Lumber.....	85,274
		Ties.....	1,452
Total.....	1,966,683	All other articles.....	2,281
		Total.....	163,716
EMERSON.		Total for the district.....	3,967,956
Animals: Cattle.....	2,820	Returned American goods for district.....	583,290
Fish.....	260,471		
Furs.....	7,073	Grand total.....	4,551,246
Seed, broom corn.....	4,008		
Settlers' effects.....	7,229		
Wheat screenings.....	2,160		
All other articles.....	3,909		
Total.....	287,670		

NEW BRUNSWICK.

CAMPBELLTON.

By CONSUL THEODOSIUS BODKIN.

The year 1908 was a prosperous one for all kinds of business and industry along the shores of the Restigouche River and Chaleur Bay, and in some respects it was a record-breaking year. The season for harvesting and garnering the products of the soil was very good. Hay, oats, potatoes, and cabbage, the principal crops, were produced in abundance and found a ready market at remunerative prices. This condition insured a healthy trade at all the retail stores and shops, and all forms of business have prospered. The representatives of wholesale houses and factories have fairly thronged the district since March 1, 1908, and all tell the same story of good business and ready money. There has not been to my knowledge a failure or default of a legitimate business concern or undertaking during the year throughout this consular district.

RAILWAY EXTENSION.

A few years ago there were considerable quantities of farm products exported to the United States, but now there are scarcely any, for the reason that the home markets, which are growing in importance, absorb the supply. The completion within the year 1909 of the line of the International Railway from Campbellton southward through the heart of the great primeval forest to or near St. Leonard on the river St. John, an enterprise which is making rapid progress, will create a largely increased demand for the products of the farms, orchards, and gardens to supply the new town, new lumbering industries, and camps along the line, at the same time opening a new field for wholesalers and jobbers. It will connect the industries of the Restigouche River with the Bangor and Aroostook Railway and provide a more direct and convenient route from Campbellton to Boston and New York. This railway when completed should mean very much to United States trade.

GRINDSTONE INDUSTRY—FISHERIES.

In this consular district, along the south shore of Chaleur Bay are produced and exported annually to the United States stones valued at about \$25,000. In 1905 the value of these stones sent to the United States was \$23,329; 1906, \$24,299; 1907, \$26,166; and 1908, \$24,557.

Cod fishing in this district, which once prospered along the Gaspé coast, has become an almost negligible industry so far as concerns exports directly to the United States from this district. The principal fish exported from this vicinity are smelts, herring, salmon, lobsters, and eels, and 1908 was a banner year for those engaged in exporting them. Fish exports to the United States during the last four years were as follows: 1905, \$74,343; 1906, \$107,479; 1907, \$115,264; and 1908, \$145,373. There was an increase of \$30,109 in the fish catch of last year over that of 1907, which was a remarkable

showing. Of the total values of fish exports for 1908, \$86,138 was in smelts and \$54,165 in canned lobsters. But the consular invoice record does not show the full value of the exports, for when the value of the individual shipment is less than \$100 no consular invoice is necessary. In this manner the largest portion of the salmon and eel catches, and much of the others, are not included in consular statistics.

WOOD AND LUMBER.

The cut of logs during the winter 1907-8 was estimated at 30 to 40 per cent less than that of the preceding winter. However, by the use of reserve stock, 1908 was made the banner year for the mill men and broke all previous records. Exports to all countries buying Canadian wood products increased largely over the exports of preceding years. On the British markets there was a marked increase in the demand for what are called "Campbellton deals," which a London paper pronounced superior in certain qualities to those produced elsewhere. Cargoes were also sent to Australia, the West Indies, and to several South American countries.

The value of the exports of wood and wood products to the United States during 1908 was \$681,467, against \$608,467 in 1907, \$666,707 in 1906, and \$352,258 in 1905. There is also a large supply of the products of the deal and shingle mills left in reserve in the yards and sheds of several of the largest lumbering concerns in this vicinity. Two of the largest mills manufacturing shingles operated with full force through the winter of 1908-9, but are shipping nothing. During 1908 pulpwood to the value of \$23,233 was exported to the United States, as against nothing in that line heretofore. The value of railway ties exported decreased to \$24,323.

MINES AND MINERALS—SHIPPING FACILITIES.

Much activity was shown by prospectors for minerals during the year, and from a number of localities in this consular district fine specimens of iron ore were secured. The richest discovery in both quantity and quality is the great deposit of iron ore in Gloucester County, 25 miles south of Bathurst. Preliminary steps are being taken toward a thorough development of the deposit during the coming summer, and the building of a branch railway to connect the mine with the coast at some point on the main line of the Inter-colonial Railroad is one of the promised achievements of the ensuing year. From the Gaspé hills have come a number of specimens that carried good percentages of copper as well as of iron.

There was much activity during the year at most of the towns along the coasts of the Restigouche River and Chaleur Bay in the work of building and extending piers, quays, etc., and in improving wharfage and other facilities for loading and discharging cargoes. This is particularly noticeable at Dalhousie and Campbellton, where vessels in the future will find ample accommodations.

FOREIGN TRADE—SALES TO THE UNITED STATES.

The principal direct imports are hard coal from the United States and molasses from Barbados. Nearly all the goods of foreign

origin that are found in the stores or seen in the hands of purchasers are brought in through Canadian importing agencies established in the large commercial centers, and there are no available data from which to estimate the amount and value of any line of foreign goods brought into this district.

The declared value of the exports to the United States in 1908 was \$832,175, against \$759,275 in 1907 and \$814,103 in 1906. The articles and their values for 1907 and 1908 were:

Articles.	1907.	1908.	Articles.	1907.	1908.
Fish.....	\$115, 264	\$145, 373	Wood, manufactures of—Con.		
Grindstones and cliff stones.....	26, 166	24, 557	Shingles.....	\$396, 495	\$410, 444
Hides.....	2, 901		Ties.....	38, 762	24, 323
Poultry.....	342		All other articles.....	6, 338	4, 273
Wood, manufactures of:			Total.....	759, 275	832, 175
Boards.....	78, 007	102, 890			
Laths.....	95, 000	120, 315			

AMERICAN GOODS REPRESENTED IN THE TRADE.

Many lines of American goods are in evidence at the stores, and hold their place in the confidence of trade. An inquiry at the principal business houses showed a much longer list than was expected, which is as follows: Sewing machines, cream separators, ice-cream freezers, food choppers, oil stoves, patent roofings, machine tools, carpenter's tools and supplies of all kinds, shelf hardware, lubricating oils, kerosene, guns and fixed ammunition, game traps, cutlery, glass and silverware, clocks, watches, sporting goods, boots and shoes, hats, men's furnishings, stationery and stationers' supplies, toys, fountain pens, inks and pencils, books and magazines, baking powders, breakfast foods, pickles and ketchups, preserved fruits, canned vegetables, canned fruits, canned and corned meats, lard, vinegar, soda biscuits, picnic and luncheon wafers, campers' supplies, confections, canned milks, drug preparations, patent medicines, medical and surgical dressings and appliances, rubber goods, toilet soaps and powders, perfumes, shaving goods, safety razors, chewing and smoking tobaccos, and smokers' supplies. There are also agencies here representing some special American manufactures, such as gramophones, pianos, and organs. There have been some sales of cash registers, bank-vault equipments, and electric supplies.

American trade in this district, though principally indirect, seems to be healthy and satisfactory, and there does not appear any reason to fear its impairment in the near future. On the other hand, the earnest movement for an increased immigration and the completion of the International Railway and other projected improvements in the present year, should naturally create a larger demand for many lines of the goods mentioned, and for others not now on this market.

MONCTON.

By CONSUL MICHAEL J. HENDRICK.

The consular district of Moncton extends about 160 miles north and south and about 45 miles east and west; it includes the counties of Westmoreland, Kent, and Albert, and parts of Northumberland,

Queens, and Kings, in New Brunswick, together with Cumberland County and part of Colchester in Nova Scotia.

Notwithstanding the general depression in trade, which affected the volume of exports and imports in this district, the city of Moncton and its immediate vicinity experienced a prosperous year during 1908.

BUSY RAILROAD CENTER.

The Intercolonial Railway of Canada, owned and operated by the Dominion government, has its headquarters in this city, it being by far the most important interest in Moncton. Its monthly pay roll amounts to about \$90,000, not including wages of engine and train men, a large number of whom are also residents of this city; therefore it is reasonably certain that \$100,000 per month is distributed in the immediate vicinity by this road.

In 1906 its shops at this place were destroyed by fire, but these are being replaced by new buildings, which will be completed in 1909; 11 large buildings, all of concrete, reenforced with steel, and costing about \$1,750,000, are being erected. It is claimed that no shops on this continent will be better equipped with labor-saving appliances, as they will have traveling overhead cranes, electric lighting and heating, and machinery of every description of the most up-to-date type. The power is supplied by two 500-horsepower gas engines and one 1,000-horsepower steam engine. This road also double tracked 7 miles of its main line during the year, giving employment to a large number of men.

The new Transcontinental Railroad, running from Moncton to the Pacific coast, was under construction during the year, employing about 300 men between Moncton and Chipman. As the contractors of this section maintained their offices in this city, paying out about \$20,000 monthly, a large part of their supplies were purchased here, thus helping to make local conditions prosperous. The Moncton and Buctouche Railroad has its headquarters here, and pays to residents of Moncton about \$1,200 monthly. While it has a Canadian charter, the stock is nearly all held by New York people.

INDUSTRIAL CONDITIONS AND MINING OPERATIONS.

A textile company, a foundry, and a wire-fence company in this place employ about 500 men, while the sugar company, whose refinery was destroyed by fire several years ago, maintains three large warehouses and still operates its barrel factory, the latter giving employment to about 40 men. A woolen mill, 2 miles out of the city, gives employment to 100 operatives.

Lumbermen throughout this district made arrangements at the beginning of the winter season to reduce the cut of logs about one-half, owing to the depression in trade. The open winter, however, acted as an incentive to larger operations, and fully two-thirds of the average cut was found to be the result of the winter's work in the woods.

The output of the plaster quarries in this consular district has been declining for years, because, it is claimed, Americans who formerly operated quarries here have acquired large deposits at other places, which can be worked more economically. The fact that the ship-

ments are diminishing each year seems to indicate that the quarries in this district are becoming less productive.

The coal mines at Springhill and Joggins, near Parrsboro, Nova Scotia, continue to increase in production. Discoveries of coal are reported in the northern part of this district and farther north in the adjoining one, but none was worked to any extent during 1908, except the Northern Coal Company's mines at Beersville, in Kent County. These mines are producing about 2,000 tons per month of free-burning bituminous coal. The stockholders of this company, as well as the stockholders in the North Shore Railway, connecting these lines with the Intercolonial Railway, are largely New York people.

DISTRIBUTION AND VALUE OF IMPORTS.

The value of the imports entered at the custom-house in Moncton during 1908 was \$599,123, a decrease of \$117,362 from 1907. Of the total imports, the United States furnished over 66 per cent and the United Kingdom over 26 per cent. The imports, by countries, for 1908 were as follows:

Country.	Value.	Country.	Value.
United States.....	\$397,137	Netherlands.....	\$2,138
Barbados.....	26,763	United Kingdom.....	158,900
Belgium.....	7,229	All other countries.....	244
Ceylon.....	4,133		
Cuba.....	267	Total.....	599,123
Germany.....	2,312		

The principal articles of import from the United States and the United Kingdom in 1908 were as follows:

Articles.	United States.	United Kingdom.	Articles.	United States.	United Kingdom.
Books and music.....	\$5,809		Iron and steel, manufactures of—Continued.		
Boots and shoes.....	2,574		Hardware.....	\$23,088	\$878
Carpets.....		\$5,454	Iron goods.....	21,464	16,764
Cement.....	190	2,113	Machinery.....	112,549	24,098
China, glassware, etc.....	1,820	1,042	Tubes (iron and copper).....		6,566
Clothing.....	1,105		Wire.....	30,534	
Coal.....	16,678		Pickles.....		3,583
Corn.....	15,161		Salt.....		9,935
Cotton, and manufactures of:			Seeds.....	10,760	
Raw.....	81,920		Starch and rice.....		1,101
Manufactures.....	2,438	1,753	Sugar.....		6,324
Druggists' supplies.....	3,168		Tin and tinware.....		9,382
Dry goods.....		47,877	Whisky.....		3,255
Fancy goods.....	4,957		All other articles.....	26,800	15,133
Fertilizers.....	6,717				
Hats and caps.....	5,800	3,249	Total.....	397,137	158,900
Household goods.....	24,105				
Iron and steel, manufactures of:					
Cutlery.....		403			

The imports from Germany consisted of artificial flowers, worth \$119; carpets, \$201; car-wheel tires, \$1,596; clothing, \$288; and dry goods, \$108. Barbados supplied molasses valued at \$26,763; Belgium, window glass worth \$1,291, and wire, \$5,938; and Ceylon, tea valued at \$4,133.

EXPORTS TO THE UNITED STATES.

The declared exports to the United States for 1907 and 1908 are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals: Sheep and lambs...	\$7,769	\$3,707	Wood, manufactures of:		
Fish:			Boards.....	\$52,312	\$25,319
Clams.....	23,182	18,418	Laths.....	54,047	33,624
Herring.....	11,750	6,561	Scantlings.....	13,310	13,480
Lobsters.....	127,977	83,585	All other articles.....	4,153	4,090
Other.....	70,039	59,774	Total.....	540,602	378,761
Furs, raw.....	1,826	2,200	Returned American goods.....	523	3,790
Hides and skins.....	6,411	12,738			
Household goods.....	5,021	2,853	Grand total.....	541,125	382,541
Minerals:					
Grindstones.....	13,111	5,201			
Gypsum.....	149,694	107,232			

The decline in the shipments of sheep and lambs to the United States was caused by a scarcity of fodder during the preceding winter, which made the supply short.

The catch of lobsters was large during 1908, packers paying high prices, but large stocks of the canned article remaining in the hands of dealers in the United States, partly because of dull times, caused a marked decline in prices and very slow sales; in fact, a large portion of stock remained in the packers' hands at the end of the year, thus accounting for smaller shipments.

Buyers of hides and skins from the United States regularly coming to Moncton to purchase directly from the dealers here, encouraged the latter to reserve their stock to be sold directly to them, instead of to middlemen at the larger centers; this, together with the fact that fodder was scarce until summer, causing farmers to kill more stock than usual, accounts for the increase in shipments of these articles.

NEWCASTLE AGENCY.

By CONSULAR AGENT BYRON N. CALL.

Lumbering and fishing are the two leading industries in this region. The former was affected by the unsatisfactory condition of the market, but, aside from shipments of pulp, classed under lumber, the exports from this point to the United States have not shared in the widespread depression, as by far the greater part of the lumber is shipped in the shape of spruce deals to ports in the United Kingdom and the Continent. During the season of navigation, from April until December, during which time the Miramichi River is not frozen over, the 12 large sawmills located along the water front are operating, at times running both day and night, converting the saw logs rafted and floated down from the upper waters into deals, which are transported to the markets in large sailing and steam craft.

Only a small portion of this lumber goes to the United States, but the spruce laths, which the mills manufacture as a by-product, as well as cedar shingles, which 5 of the mills turn out in considerable quantities, are shipped almost entirely to the United States.

SHIPMENTS OF PULP WOOD—FISHERIES—FARMING.

Pulp wood is a new export from this district, and its shipment has been and is yet the subject of much severe criticism. A large amount of rossed pulp wood was shipped to the United States during 1907 and 1908. The company producing it has two rossing mills which furnish employment to a large number of workmen and have most of the time during the season of navigation been running day and night. The product is shipped only by water. The objection to exporting the raw material is that the labor necessary for manufacture into pulp and paper is furnished in the United States, instead of the country of production reaping the benefits which would accrue through the erection of pulp and paper mills here.

The company states that water is the motive power of its mills in the United States, that Canada is deficient in this respect, and that it could not operate profitably by steam power. It further states that if an export duty is placed on the raw material, it will eventually result in the closing down of even the rossing plants in Canada.

The fishing industry is next in importance to that of lumber. The year 1908 was not a good one for the fishermen. The smelt fishing, which is carried on after the first ice forms in the river until the following March, was almost a complete failure during the fall of 1908, and the salmon fishing, which is conducted in the open-water season, was very much inferior to that of 1907. These two kinds of fish form the largest exports of fish to the United States. The catch of lobsters in 1908 was better than that in 1907, but the prices dropped, and business in that line was also unsatisfactory.

Farming, the next important industry, is neglected in this region, the attention which it should receive being given to lumbering and fishing, in which nearly every person who owns a farm takes more or less interest. The root crop for 1908 was good; the crop of hay was also an average one, but the wheat yield was rather poor.

RIVER IMPROVEMENTS—PORT OF SHIPMENT.

The Miramichi River, upon which are located Newcastle and Chatham, is navigable for vessels of 2,000 net tons and a draft of 22 feet. The sand bar formed at the mouth of the river, about 30 miles below Newcastle, limits the draft of craft, but the government has been requested to arrange for dredging it during the present year. The river is well lighted and the channel thoroughly buoyed, and the pilotage system, which is under the control of commissioners appointed by the government, is quite efficient. The pilotage district extends about 40 miles. Nearly all the vessels arrive in ballast, except for a few imports of sulphur from the United States for use in the pulp mills, and some salt from Great Britain for use by the fishermen; however, there is considerable local trade in the importation of bituminous coal from the Cape Breton collieries, principally for the pulp mills. Not more than 2,000 tons of anthracite coal is received from the United States for the supply of both towns, but not a vessel leaves port without a full load of lumber.

Newcastle suffered a loss last summer in the destruction by fire of the Anderson furniture factory. None of the product of this factory was exported to the United States. It had been in operation only a

short time, but its business was increasing steadily. There are at present no indications that the plant will be replaced.

The only prospect of a new industry at present is that Newcastle may be selected as the port of shipment for the output of the iron-ore mines which have recently been discovered in the adjoining county of Gloucester. Newcastle possesses several advantages over its rivals for this business in the way of water-shipping facilities and in suitable locations for large storage bins, which would utilize gravity in the placing of the ore in the vessels.

CLASSIFICATION OF EXPORTS.

The declared value of exports to the United States from Newcastle for 1908 was \$1,061,625, against \$993,481 for 1907. The articles and their values are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Blueberries.....	\$20,833	\$10,435	Wood, etc.—Continued.		
Fish:			Pulp, sulphite fiber...	\$333,999	\$168,878
Clams.....	14,845	14,814	Pulp wood, rossed....	182,742	464,400
Fresh.....	208,835	170,976	Shingles.....	25,592	34,403
Lobsters.....	90,459	66,142	Shooks.....	11,007	8,526
Hides and skins.....	5,875	3,115	Other.....	5,320	4,341
Household goods.....	1,820	1,145	All other articles.....	1,100	122
Wood, and manufactures of:			Total.....	989,736	1,060,871
Boards.....	13,289	14,468	Returned American goods.	3,745	1,754
Deals.....	8,974	10,032			
Laths.....	65,046	88,074	Grand total.....	993,481	1,061,625

PARRSBORO AGENCY.

By CONSULAR AGENT LAWRENCE H. HOKE.

Trade and commerce in the district of this agency during 1908 experienced the slackness common to the country at large. Manufactured products and those of the mines and forests showed a decrease of one-third to one-half in output from that of 1907. Coal is the only article that maintained its average, the number of tons mined being about the same as that of the previous year. Manufacturing concerns suffered from lack of orders, which caused a decrease in the number of employees, those retained working only four and five days a week.

Lumbering is one of the principal industries of this region. The export markets are the United Kingdom and the United States, the former taking about three-fifths and the latter two-fifths of the lumber shipped.

MINERAL OUTPUT.

There are several coal mines in operation in this section, the largest and most important being the Cumberland Railway and Coal Company's mines at Springhill, 30 miles from this port. Their annual output is about 500,000 tons, and all foreign shipments are to the United States. The employees are English, Scotch, and Canadians, many of whom own their own houses. The amount of wages paid the 1,600 employees averages about \$70,000 a month.

The Maritime Coal, Railway and Power Company owns and operates two small collieries, one at Maccan and another at Port Joggins. Their combined output is about 160,000 tons a year. All the coal is sold in domestic markets. This concern has put into operation an electric-power generator at the mouth of the Maccan mine, and besides supplying its own needs transmits electric current to Amherst, a distance of 10 miles, for industrial purposes, at a low rate per horsepower.

Tripolite is a fossil flour manufactured by the Oxford Tripolite Company. It has met with a steady and increasing demand from large manufacturing concerns in North America and Europe, and is used extensively in the manufacture of rubber goods, polishers, etc. The raw material used is dead matter taken from Silica Lake, situated on the top of Cobequid Mountains. From 6,000 to 10,000 bags of 100 pounds each are annually shipped to the United States.

A barytes deposit is located on Bass River in Colchester County, Nova Scotia. The mines were first opened in 1866 and are said to have produced from 2,000 to 3,000 tons annually for five years from that date. The mining was carried on under leases, but owing chiefly to difficulty with the titles operations were stopped in 1871. During the past three years the mines have been reopened, and it is the intention of the present company to operate as extensively as was done before the long shut down. Barytes is used chiefly as filler for paints and fine paper and in the preparation of barium salts.

During the past nine years extensive operations have been carried on at Cape D'Or in developing a copper property. The mines have been shut down for the past few months, but the company intends to further develop this property during the present year. The copper has been sold in local markets, except a few tons which were exported to the United States.

SHIPMENTS TO THE UNITED STATES.

The declared value of the exports from the Parrsboro agency to the United States during 1908 showed a decrease of \$224,999 from that of the previous year, the totals amounting to \$316,928 and \$541,927, respectively. The articles and their values were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Coal.....	\$92,826	\$114,013	All other articles.....	\$25,804	\$12
Emigrants' effects.....	1,980	3,614	Total.....	535,690	315,985
Grindstones.....	815	228	Returned American goods.....	6,237	943
Tripolite.....	9,173	6,003	Grand total.....	541,927	316,928
Wood, manufactures of:					
Laths.....	52,823	42,362			
Logs, spruce.....	216,535	75,017			
Lumber.....	136,734	74,736			

ST. JOHN.

By CONSUL GEBHARD WILLRICH.

New Brunswick, Nova Scotia, and Prince Edward Island are termed the maritime provinces of Canada. The total population of these provinces, according to the census of 1901, was 893,953, Nova Scotia being credited with 459,574, New Brunswick with

331,120, and Prince Edward Island with 103,259. It is doubtful whether there has been any substantial gain in the population of these provinces since. An annual exodus, especially of young and vigorous men from the rural districts, allured by glowing accounts of the greater opportunities of the Canadian west and assisted by cheap railroad transportation, has seriously impoverished these provinces in the element most needed on the farms and in the workshops.

DEVELOPMENT OF AGRICULTURAL RESOURCES.

The Province of New Brunswick is considered backward in the development of its agricultural resources. In an address by Dr. James W. Robertson, principal of Macdonald College, St. Anne de Bellevue, Quebec, entitled "Education for agriculture," and published lately by the New Brunswick department of agriculture, there are a number of interesting statements relative to the present conditions of agriculture in this Province. He said in part:

This Province has varied and valuable resources hardly known by its own people. The forest resources are great, and, while exhaustible, can be restored and improved by intelligent management. Agriculture, forestry, and water powers are linked together, and the progress of one means that of the others. While there has been substantial progress in many respects in New Brunswick, the Province has practically stood still for thirty years in the number of people occupying the land. The Province could sustain no greater loss than a reduction of its rural population, for an intelligent, prosperous, and contented rural population is the greatest asset of any State.

The last census returns gave this Province 37,583 occupiers of land with 4,438,937 acres, an average of 118 acres to a person. Of this there were 1,405,616 acres cleared, or about 37 acres per farm, and 894,795 acres in crops, or about 24 acres per farm. The value of land, buildings, implements, machinery, and live stock is given as \$51,000,000, and the total annual value of all crops and products as \$12,894,076.

COMMISSION'S REPORT ON AGRICULTURAL CONDITIONS.

During 1908 an agricultural commission was appointed by the provincial government and authorized to make careful inquiries into the agricultural conditions of this Province, and after a thorough investigation it submitted its reports to the government early in March, 1909. The commissioners recommend that the teaching of the rural schools be modified to give children more of what they need to know for successful farm life, also the establishment of technical agricultural teaching in advanced schools, culminating in time in the establishment of an agricultural college in the Province. They hold that the expenditure upon New Brunswick highways has evidently not obtained adequate results in the past and that better results should have been achieved.

In regard to railway accommodations it is stated that with the exception of a large section of the St. John River Valley the Province is for the most part as well supplied as other provinces. The district named, however, one of the richest in the Province, suffers great hardships from lack of transportation facilities, and has lost much business as well as population on that account.

The report further recommends a better postal service, to be secured by the enlargement of the parcel post and rural delivery systems, the regulation of express rates so as to assist in extending the market for perishable products, and, finally, an extension of the rural telephone system to alleviate the isolation of life, especially in the more sparsely settled districts of this Province. The commissioners

justify the supplying of these needs of the rural population of New Brunswick as in the interest of a much wished for development.

It appears also from the report that while most of the people living on New Brunswick farms are enjoying a fair degree of independence and comfort, and that there are considerable accumulations of farmers' savings in the Dominion savings banks and other monetary institutions, there is nevertheless not that degree of prosperity or increase of wealth among the rural population that the natural resources of the Province warrant, as it is well adapted for stock raising in all of its branches, for dairying, and for the growth of all the hardier fruits, by reason of its climatic conditions, ample water supply, and generally fertile soil.

QUANTITY AND VALUE OF CROPS.

The spring of 1908 was rather late and cold, thus retarding seeding and planting, and a later drought likewise affected the growth of the crops to some extent. The prices obtained for all kinds of farm products, however, were never better and there was little room for complaint on the part of the farmers.

The hay crop is among the most important of the Province, and it amounted to about 500,000 tons with an average price of \$6 per ton. The wheat crop of 1908 was rather light. The average production for the last nine years has been 18.4 bushels per acre, which makes it a good paying crop. Oats yielded a fair average crop, and buckwheat, which is largely grown, gave an excellent yield.

The potato crop is considered the most important root crop of New Brunswick, and 1908 gave the largest yield since yearly crop returns have been collected. The total acreage planted was 46,700, yielding 7,836,374 bushels, at an average price of 33 cents per bushel, making the value of this crop \$2,586,003. The average yield per acre was 167.8 bushels. The quality of the tubers was exceptionally good, commanding the highest market prices wherever shipped.

Most of the potatoes were marketed at Montreal and Toronto, but considerable quantities were sent to the West India Islands and Cuba, to which latter country much greater quantities would have gone but for the discontinuance of the Havana-Boston-St. John Steamship Line, after making only one or two trips. This company, it is understood, is to be reorganized this year by local interests, with a view to extending the markets for New Brunswick farm products in Cuba.

The following table shows the acreage and yield of each of the various crops for this Province during the years 1907 and 1908:

Crop.	1907.			1908.		
	Acres.	Total yield.	Yield per acre.	Acres.	Total yield.	Yield per acre.
		<i>Bushels.</i>	<i>Bushels.</i>		<i>Bushels.</i>	<i>Bushels.</i>
Berley	4,094	96,558	23.5	3,416	75,915	22.2
Buckwheat	58,262	1,451,911	24.9	58,444	1,373,072	23.4
Oats	194,211	5,748,134	29.5	191,865	5,396,273	28.1
Potatoes	45,029	5,182,503	115.0	46,700	7,836,374	167.8
Turnips	5,746	2,836,394	493.6	5,907	3,035,757	512.9
Wheat	20,601	410,714	19.9	17,579	292,491	16.6

IMPORTS OF BREEDING STOCK.

The government during 1908 has made efforts to increase the value of the local live stock by importations of better-bred animals. According to the report of the commissioners, the breeding of pure-bred animals in this Province is in the hands of a few individuals, and it has not been attended by very satisfactory results so far as sales of of breeding stock are concerned. It also appears that the policy of making government importations has operated against the building up of pure-bred studs, herds, and flocks, and that the effects of such importations in past years on the provincial stock have been almost imperceptible. A change of policy in that regard is advised, and the enactment of proper stock-breeding regulations. Last year the government purchased 18 thoroughbred horses in Kentucky. These were auctioned off after their arrival here, and are in the hands of the stock breeders of the Province.

The number of cattle on the farms of this Province is not increasing to any extent, and local breeders appear to be able to supply the bulk of the demand for pure-bred stock at reasonable prices.

The number, total value, and average value per head of the live stock in New Brunswick in 1908 were as follows:

Class.	Number.	Value.	Average value per head.
Horses.....	61,789	\$4,312,256	\$69.79
Milch cows.....	111,064	2,317,049	20.85
Other cattle.....	116,112	1,170,327	10.08
Sheep.....	182,524	538,682	2.96
Swine.....	51,765	401,965	7.77

The total value of all live stock was \$8,740,279, and the cost of feed was estimated at \$5,712,606. The value of the butter produced was \$2,260,537, and of meats and other animal products, \$1,160,783.

Dairying is retrograding in many sections of the Province. This is attributed to the high prices in recent years of farm produce, especially of hay and grain, and the large demand for labor for the numerous lumber industries and in railroad construction work. As a consequence many farmers have been compelled to reduce their herds, and many factories of dairy products have had to be closed.

CHANGED CONDITIONS—BIG-GAME COUNTRY.

The trouble with this Province in the past from an agricultural standpoint has probably been that it was too rich in the great natural resources of its forests and fisheries. It was much easier to make money in lumbering and fishing than in farming. But times are changing. Logs can no longer be procured at small expense near river banks, and fishing can be carried on only at great outlay. Thus employment in both of these industries requires more capital than formerly, and they have naturally drifted into the hands of companies and corporations to the exclusion of individuals, who, not as yet accustomed to the more laborious and less exciting occupation of farming, have either drifted along without much effort to adapt

themselves to changed conditions or have become dissatisfied and have emigrated to other fields of labor. There are 857 vacant farms in the Province and 572 occupied farms for sale.

This is a big-game country, where moose especially are very numerous. The Province is well advertised as a game preserve, and many nonresident hunters come here for the annual hunt. The best hunting grounds are easily reached, and it is seldom that a hunter leaves without his moose head.

A large number of moose were killed during 1908, 251 tags having been returned, each indicative of one animal killed, but as many animals were destroyed otherwise than by licensed hunters it may be safely assumed that the number of tags returned is evidence of but a portion of the number of moose actually killed.

The government is alive to the desirability of preserving the big game, because the annual revenue from that source in the way of hunters' licenses in past years has been considerable, not to speak of the large amounts spent by wealthy patrons of this sport on equipment, guides, provisions, etc.

LUMBER TRADE.

The year 1908 was not a satisfactory one in the lumber trade of this district, a general dullness prevailing throughout the year. The shipments were less than in 1907 and considerably below those of 1906. The shipments from New Brunswick, by ports, during 1907 and 1908 were as follows:

Port.	1907.	1908.	Port.	1907.	1908.
	<i>Sup. feet.</i>	<i>Sup. feet.</i>		<i>Sup. feet.</i>	<i>Sup. feet.</i>
St. John.....	207,054,632	135,508,971	Buctouche.....	1,264,730	463,288
Campbellton.....	17,592,977	35,583,102	Outports of Backville...	3,722,652	11,683,896
Dalhousie.....	17,500,000	15,000,000	Hopewell Cape.....	19,072,568	7,224,504
Bathurst.....	10,787,900	10,087,319	Harvey.....	3,688,082	10,728,448
Chatham.....	35,931,982	50,698,668			
Newcastle.....	36,436,115	24,917,440	Total.....	354,665,207	304,351,756
Richibucto.....	1,623,549	2,455,120			

The declared value of the exports of lumber, exclusive of pulp wood and wood pulp, from New Brunswick to the United States during 1908 was \$1,048,433, against \$1,428,969 in 1907. The shipments of sawed, hewn, and planed lumber to the United Kingdom were valued at \$15,962,510 in 1908 and at \$18,434,750 in 1907.

FISHERIES OF THE PROVINCE.

The value of the product of the fisheries of New Brunswick in 1908 was \$5,300,564. The catch was divided as follows: Smelt, valued at \$667,932; sardines, \$663,403; herring, \$916,060; lobsters, \$928,513; salmon, \$347,965; clams, \$295,223; cod, \$416,082; hake, \$136,147; oysters, \$92,610; pollock, \$77,580; alewives, \$90,755; shad, \$44,920; and all other kinds, \$623,374.

The fisheries in past years have proved of great value, but they have deteriorated so much that greater protection and better care were found necessary. The lobster industry especially was found

to have suffered materially, as the increased demand for the product induced the provincial fishermen to catch the small with the large and to send them to the market indiscriminately.

The New Brunswick Fish, Forest and Game Protective Association was formed in 1908. It established branches in the various counties of the Province and distributed appropriate literature among the people, setting forth the value of these natural assets, with directions as to their conservation. This work is being pushed vigorously, and it is expected that as the membership of this much-needed organization increases a great service will be done in the interests of these great resources of the Province.

IMPORTS AND EXPORTS.

The total value of the imports into and exports from the Province of New Brunswick during the fiscal year ended March 31, 1908, was \$10,776,591 and \$26,363,098, respectively. The imports and exports, by ports, were as follows:

Port.	Imports.	Exports.	Port.	Imports.	Exports.
Bathurst.....	\$42,483	.....	Newcastle.....	\$43,923	\$615,375
Campbellton.....	90,634	\$479,158	Sackville.....	86,540	86,993
Chatham.....	238,217	723,925	St. John.....	7,372,389	20,304,281
Dalhousie.....	9,809	203,702	St. Stephen.....	931,127	640,221
Fredericton.....	570,965	29,062	Woodstock.....	360,900	94,466
McAdam Junction.....	285,142	2,681,250			
Moncton.....	745,432	554,675	Total.....	10,776,591	26,363,098

The imports into St. John from all countries for the nine months ended March 31, 1907, were valued at \$5,603,685, and for the fiscal year ended March 31, 1908, their value was \$7,372,389. The leading articles and their values were as follows:

Articles.	1907. ^a	1908.	Articles.	1907. ^a	1908.
Ale, beer, and porter	\$22,836	\$36,319	Leather, and manufactures of.	\$27,085	\$30,722
Books.....	29,978	41,846	Lumber and timber	155,819	127,476
Brass, and manufactures of....	15,215	17,760	Metals, and manufactures of,		
Breadstuffs.....	227,490	257,787	n. e. s.	140,442	229,250
Broom corn.....	18,424	21,463	Oils.....	90,461	71,695
Cars, carriages, etc.....	13,415	12,496	Oilcloth.....	18,399	30,027
Cement.....	29,521	42,376	Paints and colors.....	12,659	14,095
Clocks and parts.....	5,840	7,599	Paper, and manufactures of.	44,815	66,101
Coal.....	210,479	311,750	Pickles.....	10,214	17,319
Combs.....	7,340	5,152	Provisions:		
Cordage.....	13,346	16,451	Butter, cheese, and lard..	32,339	66,721
Cotton, and manufactures of.	368,280	581,373	Meats.....	71,408	62,536
Drugs, chemicals, etc.....	154,396	333,487	Ribbons.....	40,893	65,529
Earthenware and china.....	92,014	162,249	Rosin.....	7,995	6,009
Electric apparatus, etc.....	48,148	38,621	Seeds.....	13,475	20,037
Fancy goods.....	93,231	95,749	Settlers' effects.....	20,497	28,277
Flax, hemp, and jute, manu-			Silk, and manufactures of....	54,332	66,390
factures of.....	52,108	63,888	Soap.....	11,699	13,800
Fruits and nuts.....	281,087	310,956	Spirits.....	154,496	222,226
Glass and glassware.....	46,662	94,354	Sugar, sirups, etc.....	150,667	127,971
Gloves and mitts.....	23,325	35,987	Tea.....	730,707	896,089
Hats, caps, and bonnets.....	67,487	96,148	Vegetables.....	11,771	29,578
Hides and skins.....	132,149	77,088	Wood, and manufactures of..	21,802	21,846
Iron and steel, manufactures of	695,642	236,507	Wool, and manufactures of...	267,451	372,060
Jewelry.....	7,301	11,942			

^aFor nine months ending March 31, 1907.

TRADE WITH THE UNITED STATES.

The imports into St. John from the United States carried in American vessels during the calendar year 1908 were valued at \$163,209, against \$70,477 in 1907. The articles in 1908 were: Anthracite coal, worth \$64,284; fertilizers, \$3,925; oil, \$83,000; and timber, \$12,000.

The declared value of the exports from St. John to the United States during the calendar year 1908 was \$2,040,901, against \$2,967,924 in 1907. The articles and their values are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals, live.....	\$3,485	\$3,042	Spirits.....	\$2,273	\$1,500
Bulbion.....	116,513		Tea.....	31,275	23,272
Emigrants' effects.....	24,255	26,411	Wood and manufactures of:		
Fertilisers.....	10,400	9,609	Laths.....	408,566	224,720
Fish:			Lumber.....	185,371	167,251
Cod.....	1,374	1,591	Piling.....	12,867	11,752
Hake sounds.....	9,894	4,790	Pulp wood.....	34,669	63,865
Herrings, canned.....	2,250	3,141	Shingles.....	51,120	7,657
Salmon.....	2,853	6,512	Wood pulp.....	691,499	402,995
Other.....	4,735	4,764	All other articles.....	81,964	26,855
Furs.....	3,437	1,780			
Gum, chiclo.....	139,309	71,533	Total.....	2,160,606	1,346,623
Hides and skins.....	244,757	200,480	Products from American		
Junk.....	56,552	28,062	logs.....	766,095	624,582
Lime.....	20,256	10,086	Returned American goods.....	41,223	69,696
Potatoes.....		6,173			
Salt.....	20,932	28,782	Grand total.....	2,967,924	2,040,901

The principal exports from the Fredericton agency to the United States in 1908 were as follows:

Articles.	Value.	Articles.	Value.
Animals:		Wood, manufactures of:	
Horses.....	\$16,756	Laths.....	\$41,450
Sheep and lambs.....	23,006	Lumber.....	
Hair.....	779	Hemlock.....	25,934
Household effects.....	13,997	Pine.....	8,623
Game for exhibition.....	952	Spruce.....	43,188
Moccasins.....	4,717	Railway ties.....	3,567
Poultry, dressed.....	1,376	Shingles.....	111,952
Vegetables:		Ships' knees.....	8,444
Potatoes.....	10,886	All other articles.....	6,082
Turnips.....	6,143		
		Total.....	327,852

ST. STEPHEN.

By CONSUL CHARLES A. McCULLOUGH.

The imports into St. Stephen from the United States during 1908 were valued at \$798,584, against \$747,598 in 1907, an increase of \$50,986, due principally to increased purchases of raw cotton and drugs and dyes. The leading articles of import from the United States in 1908 were: Raw cotton, worth \$253,334; animal products, \$206,175; corn, \$50,537; coal, \$28,005; manufactured iron, \$25,591; oils, \$10,473; and drugs and dyes, \$71,049. The imports from the United Kingdom amounted in value to \$131,381, a loss of \$52,051 compared with 1907, while the imports from all other countries were valued at \$24,817, a gain of \$786.

SHIPMENTS TO THE UNITED STATES.

The declared value of exports, including returned goods from this consular district, comprising St. Stephen and the Campobello agency, to the United States during 1908 was \$934,001. The articles and their values were as follows:

Articles.	Value.	Articles.	Value.
ST. STEPHEN.		CAMPOBELLO.	
Animals, live.....	\$6,715	Fish and fish products:	
Clams, canned.....	3,644	Bloaters.....	\$8,342
Emigrants' effects.....	8,176	Clams.....	5,429
Fish.....	10,285	Herring.....	14,907
Glycerin.....	26,226	Lobsters.....	11,988
Hides and skins.....	6,008	Salmon.....	2,886
Turnips.....	3,028	Soundings.....	4,684
Wood, and manufactures of:		Other.....	283
Laths.....	39,217	Household effects.....	700
Logs.....	335,837	Oil, fish.....	970
Lumber.....	81,934	Tin plates.....	6,409
Pulp wood.....	18,021	Wood, and manufactures of:	
Shingles.....	9,879	Logs.....	4,121
Wood pulp.....	76,844	Lumber.....	11,514
Wool.....	3,025	All other articles.....	12,718
All other articles.....	4,143		
Total.....	632,982	Total.....	85,021
Returned American goods.....	215,998	Grand total.....	934,001
Grand total.....	848,980		

The principal articles of returned American goods were a circus, valued at \$150,000; raw cotton, \$27,762; and fertilizers, \$19,785.

TRANSPORTATION—BANKING—PORT IMPROVEMENTS.

The transportation facilities of the district are about all that are needed. The Canadian Pacific Railroad is connected by a branch with the Washington County Railroad at Calais, Me., which furnishes ample facilities for passenger traffic and hauling of freight by rail. There are three lines of steamers, the number soon to be increased by a fourth, running on the St. Croix River, stopping at all important places, and connecting at Eastport, Me., with ocean-going steamers. Large quantities of lumber are taken across the river by scows and rafts and loaded on vessels for transportation to ports in the United States and other ports.

There are three banks in this city. The rate of discount is 6 per cent and interest at the rate of $3\frac{1}{2}$ per cent is allowed on special deposits.

Efforts are being made to have the Dominion Parliament establish a winter port at St. Andrews. The arguments advanced are that St. Andrews furnishes a natural harbor, free from ice in winter; that it would not require the dredging and breakwaters necessary at other ports, thus making possible a saving of perhaps \$9,000,000; and that the rail haul from that place to Quebec and western Canada is considerably shorter than from other available ports.

The coast of Charlotte County, of which St. Andrews is a part, has at least 50 miles of sheltered mainland coast line fronting on water deep enough for the largest ships close to shore. It has deep, safe entrance channels, and unlimited capacity for all the purposes of a seaport.

NOVA SCOTIA.

HALIFAX.

By CONSUL-GENERAL DAVID F. WILBER.

The consulate-general of Halifax comprises within the limits of its jurisdiction the following important cities and towns: Halifax, Truro, Windsor, Dartmouth, Lunenburg, Kentville, Liverpool, and Bridgewater.

The city of Halifax, the capital of Nova Scotia, has a population estimated at about 50,000. Including the suburbs, the aggregate value of its assessed property is about \$24,000,000, and its bonded indebtedness is \$4,061,390. A sewerage system has been installed, at a cost of over \$700,000. There are over 110 miles of streets, four large public parks, besides squares and smaller parks. Point Pleasant Park, the largest, covers about 200 acres.

Three railroad systems enter the city—the Intercolonial from Montreal by way of Moncton, from which city branch lines run to St. Johns, New Brunswick, and Sydney; the Dominion Atlantic Railway, from Halifax to Yarmouth, along the west coast of the Province through the Annapolis Valley; and the Halifax and Southeastern Railway to Yarmouth along the Atlantic coast.

Steamship lines run from this port to Liverpool and London, Glasgow, Rotterdam, Hamburg, Newfoundland, St. Pierre, Bermuda, the West Indies, Mexico, Boston, New York, Portland, and Philadelphia. Besides these lines that make regular calls, many schooners load here for ports in the West Indies, South America, the United States, and other foreign ports.

Halifax is connected by cable with England, New York, Bermuda, and the West Indies. The first two are owned by the Direct United States Cable Company, and the latter by the Halifax and Bermuda Company. There are two wireless stations. One is located at Camperdown and the other on Sable Island, both using the Marconi system. Sable Island is in communication with almost all other stations on the Atlantic.

Notwithstanding the financial depression in the United States during the latter part of 1907 and the early part of 1908, and its attendant effects on Canadian commercial activities, the Province of Nova Scotia has had a fair proportion of satisfactory business during the year ended December 31, 1908.

VALUE OF NOVA SCOTIAN PRODUCTS.

The estimated value of all the products of Nova Scotia for 1908 was \$112,249,000, distributed as follows: Coal, \$16,200,000; coke, \$2,000,000; gold, \$237,000; gypsum, limestone, and other minerals, \$725,000; stone and building materials, \$250,000; pig iron, \$1,425,000; steel, \$3,800,000; steel rails, rods, etc., \$8,112,000; fishery products, \$8,000,000; manufactures, ships, and freight, \$38,000,000; farm products, \$31,500,000; and forest products, \$2,000,000.

The past decade has been the greatest industrial period in the history of Nova Scotia. The coal industry has been developed

along modern lines, great steel plants are drawing the attention of the world's steel makers, and the erection of factories, the exploitation of timber lands, and, what is considered still more important, a revival of agriculture have commenced.

The total value of each of the various crops produced in the Province during 1908, the acreage, yield per acre, total yield, and value per unit were as follows:

Crop.	Acres.	Yield per acre.	Total yield.	Value per unit.	Total value.
		<i>Bushels.</i>	<i>Bushels.</i>		
Apples.....	3, 100		^a 600, 000	\$1. 75	\$1, 050, 000
Barley.....	9, 700	23	223, 100	. 65	145, 015
Beans.....	3, 100	^a 18	^a 55, 800	2. 75	153, 550
Buckwheat.....	18, 000	31	558, 000	. 75	419, 500
Fruits and vegetables, n. e. s.....					^b 1, 000, 000
Hay.....	640, 000	^c 1. 6	1, 024, 000	10. 00	10, 240, 000
Oats.....	135, 000	20	4, 050, 000	. 50	2, 025, 000
Peas.....	1, 500	^a 19	^a 28, 500	3. 25	92, 625
Potatoes.....	44, 000	200	8, 800, 000	. 40	3, 520, 000
Turnips, etc.....	18, 000	475	8, 550, 000	. 10	855, 000

^a Barrels.

^b Estimated.

^c Tons.

To the value of the agricultural products may be added that of animal products, worth \$12,000,000, making the total farm production for the year amount to \$31,500,690.

FRUIT GROWING—COLD-STORAGE PLANT.

The secretary of agriculture for Nova Scotia, in an address on fruit growing before the Halifax Canadian Club, said:

The agricultural industry which has been brought to the highest degree of improvement in Nova Scotia is the fruit industry. This is practically a modern development, beginning in 1880 with an export of 80,000 barrels of apples and gradually increasing to the highest shipment of 600,000, a number which soon bids fair to be increased far beyond the million mark.

Perhaps the best demonstration of the quality of our Nova Scotia apples was made at the recent exhibition of the Royal Horticultural Society in London, England, at which the exhibit of 350 boxes sent over by the agricultural department was awarded a gold medal and also 14 subsidiary medals. The Silver-Hogg medal, awarded to the best exhibit prepared by a private individual, also fell to a Nova Scotian exhibitor for his collection of apples packed in boxes.

With a view to testing and demonstrating the possibilities of fruit growing in these other counties—those where fruit growing is carried on in a small way—the government has established 32 model orchards, each 2 acres in area. As a result of this, the industry has received a considerable stimulus and bids fair to occupy an increasingly prominent place in those counties which heretofore were looked upon as not being adapted to fruit growing.

The erection of a modern cold-storage plant at Halifax has been proposed, and plans have been drawn up for the construction of the largest plant of the kind in Canada with a capacity of 150,000 barrels, besides sufficient space for dairy products.

Annapolis Valley, 80 miles long, extending from Windsor to Annapolis Royal along the track of the Dominion Atlantic Railway, has been famous for its apples since the soil was under the flag of France, and the apples produced are noted for richness of flavor, keeping qualities, and heavy yield.

INCREASED OUTPUT OF COAL.

From the view of provincial revenue, the most important industry of this Province is that of coal mining. Nova Scotia has the only great bituminous coal fields at tide water on the eastern coast of America, with enormous deposits, well-equipped mines, and, owing to its geographical position, it is able to take advantage of cheap water transportation for the marketing of a large portion of the output of its collieries. The output of the mines has doubled within the last ten years and the industry has made more rapid strides since 1893 than that of Great Britain, so that with the establishment of other home industries using the raw materials lying at hand this industry is bound to grow to greater dimensions.

According to the reports available the aggregate production in 1908 from the coal fields of the Province was 5,351,000 tons, a gain for the year of 190,000 tons. This gain is not as large as was predicted owing to three causes—slack times at the several iron and steel works in the Province, large imports into Quebec Province of both bituminous and anthracite coal, and short deliveries in the St. Lawrence markets.

The general trade depression was felt in the coal industry in two ways. The various iron, steel, and other manufactures consumed less owing to the shorter hours, and the coal operators of the United States, being compelled by the depression to find a market other than that at home, invaded the St. Lawrence region. To what extent this has been done may be gathered from reports showing that coal imported into Canada from the United States in the fiscal year 1908 amounted to 1,295,000 tons against 630,000 tons in 1906, a gain of 100 per cent.

While the output of coal did not reach the amount estimated for the year, the mining of coal suffered less than other branches of the mining industry.

IRON, GOLD, COPPER, GYPSUM, LIMESTONE, AND CEMENT.

Owing to reduction of hours in the foundries and mills the output of iron ore was considerably less than in former years, in fact there has been a gradual decline during a period extending over a number of years. In 1894 there were 83,512 tons of native ore mined in the Province, while in 1904 the amount was 49,619 tons, which decreased to 30,575 tons for the fiscal year ended September 30, 1908.

The works and mines department furnishes the information that the gold-mining industry of Nova Scotia is almost extinguished, and the output of bullion in 1908, valued at only \$200,000, was the smallest since gold was discovered at Tangier 40 years ago. Of the amount mined in 1908, \$81,239 was exported to the United States.

The output of copper has decreased so greatly as to be almost a negligible quantity and has little effect on the tabulated resources of the Province. The total value of the production was \$28,800 for 1908.

At Windsor, Nova Scotia, the main source of gypsum, there was a falling off in the output. But 168,485 tons, valued at \$173,931, were shipped, a decrease of 75,000 tons from 1907. The output for 1907 was valued at \$332,000, which decreased in 1908 to \$242,535.

There were 484,685 tons of limestone taken from the quarries during 1908. This was exported mostly in the form of lump plaster, some shipments going to the United States. During the year 45,529 barrels of cement were produced, practically all of which was used in the Province. There were 23,000,000 bricks, 505,000 tons of coke, and 300,000 linear feet of drainage pipe made in the Province during 1908.

IMPORTANCE OF THE FISHERIES.

Next to agriculture, fishing is the greatest industry in Nova Scotia. The natural conditions favorable to the prosecution of this industry have made this section of prime importance in the markets where fish are in demand.

While 1908 was a prosperous year for the fishermen owing to the large catches, the year was marked in the history of the trade by a notable slump in prices. The total catch of bank fish, including that of the four Nova Scotia vessels that went to Labrador, was 180,000 quintals (quintal=112 pounds). In addition there was a catch of about 100,000 quintals of shore fish, making the total catch about 280,000 quintals, or 31,360,000 pounds. The prices averaged from \$2 for hake to \$6.50 for No. 1 mackerel, with little of the latter on the market at any time during the year to command this price. All classes of good, hard fish were scarce. Lack of care and poor packing caused to some extent the drop in the market, some of the fish being poorly salted and sunburned. Nova Scotia, on account of the poor quality of its fish, was unable to compete in first-class trade, and the fishing industry suffered. Shippers claim that the class of salt used in curing and packing was the principal cause of the poor grade of fish produced.

The lobster catch was very good, showing about 40 per cent increase over 1907, and about 15 per cent over an average catch. The prices paid the trap men by the canners have never been excelled. During the early part of the season the fishermen commanded their own prices, but as it was soon apparent that there was to be an enormous catch prices declined, not, however, until they had been of great benefit to the fishermen. The result was that the packers suffered heavy losses. In many instances the fishermen of Nova Scotia derived more from their lobster catch than from the catch of all other fish combined.

The market for canned lobsters is found principally in England and continental Europe. The live lobsters are sent to Boston. One firm has found a ready market in the United States for lobsters put up in glass jars. These are of special quality and are for the fancy trade. The jars in which they are packed are made in the United States.

MOTOR FISHING BOATS.

Motors are becoming an important factor in the fishing industry of Nova Scotia. The fishermen build their boats on the same general lines as formerly, but so construct the stern as to make the installation of a motor possible. The motor is used only as an auxiliary when the wind is not favorable or more speed is desired.

There are some motors made in the United States in use, but there has been some complaint against them. It is said that they are not

efficient in a rough sea and that a dash of water disables them. It is also said in their favor that they are the speediest motors on the market.

LUMBER INTERESTS.

The forests, which are conspicuous among the assets of the Province, have done their share in making conditions fairly satisfactory during the past year, excepting in the trade with the United States. The cut for the year was not so large as that of 1907, but with the large amount of lumber on hand at the beginning of the year there were available for export approximately 250,000,000 to 300,000,000 superficial feet. During the early part of the year considerable activity was manifested by South American buyers, and some moderately large contracts were made at satisfactory prices which proved difficult to duplicate later in the season.

The West Indian markets held fairly steady at slightly lower prices than those of 1907, but as freight rates declined appreciably the manufacturer shared his loss with the shipowner. United States markets remained practically lifeless throughout the year. Considerable lumber was sold there, however, but in most cases at unremunerative prices. Very little pulp wood was shipped to the United States, less than in former years.

The lumber interests are asking the government to make a survey and to take steps for the preservation and reforestation of forest lands. It is proposed that the 960,000 acres cleared of timber at present be reset with trees adapted to the climate.

MANY PRODUCTS MANUFACTURED.

The fact that Nova Scotia has raw materials, iron, coal, and lumber at hand, and, in addition to this, has at command cheap water routes, makes this Province a natural field for manufacturing. The steel mills are now the most important manufacturing concerns in the Province. There is a movement on foot to take advantage of natural resources and give more attention to possibilities in this line. The manufacture of steel in Nova Scotia has passed the experimental stage, as the progress made at Sydney, Trenton, Sydney Mines, and Londonderry during the past few years attests.

Besides the steel manufacturing centers, other factories producing various lines of goods are found at Halifax, New Glasgow, and Amherst. Among their products are iron goods, cars, woollens, cotton goods, refined sugar, manufactured furs, cordage, boots and shoes, malt liquors, and evaporated apples.

Halifax is the most important manufacturing center in the maritime provinces as regards variety of articles manufactured. The most important products of the factories of this city are the manufactures of metals, including bar iron, nuts, axles, sawmill machinery, stoves, ranges, ship fittings, both in iron and brass, passenger and freight car fittings, plumbers' supplies, tinware, architectural iron work, mining supplies, boilers, tanks, etc. Besides the metal products there are factories turning out refined sugar, cotton goods, manufactured chocolate, spices, clothing, boots and shoes, railway cars, malt liquors, carriages, cigars, mining and sporting powder, paint, canoes, goods for ladies' wear, baking powder, and other minor products of a varied nature.

The only important addition to the manufacturing industry of Halifax during 1908 was the Silliker Car Company, which is engaged in the manufacture of railway freight cars and passenger and sleeping coaches.

AN EXCELLENT HARBOR—SHIPPING FACILITIES.

Owing to natural advantages, shipping occupies a very prominent place in the industrial life of the Province. Halifax claims to be a link in the "quickest route around the world." The plan is to establish British, Canadian, Australian, and New Zealand service. Halifax bases its claim to an important place in the scheme from the fact that it is the nearest port to Europe on the continent of North America, being 600 miles nearer than New York, 250 miles nearer than St. John, New Brunswick, 490 miles nearer than Montreal, 350 miles nearer than Quebec, and 315 miles nearer than Portland, Me. Besides its advantage in distance, there is advantage in the fact that the harbor of Halifax is one of the finest on the Atlantic seaboard, if not in the world, and open all the year. The channel is clear and may be approached in all kinds of weather. The system of lights and buoys is nowhere excelled. The harbor proper has an area of about 10 square miles, and is about $1\frac{1}{2}$ miles in width with 18 or 20 miles of deep-water anchorage, several miles of which are along the business water front of Halifax. Bedford Basin, an inner harbor, is almost as large as the main harbor. There are 47 piers, wharves, and docks along the water front, 9 of the deep-water piers being the property of the Dominion government. The longest of the government piers is 750 feet in length and the shortest 450 feet. At these piers the depth of the water ranges from 34 to 46 feet at all tides. The piers are equipped with the latest appliances for the handling of ocean freight and the landing of immigrants and can accommodate at one time 22 large ocean-going vessels.

Terminal facilities costing the Canadian government about \$5,000,000 have been built at Halifax during the last ten years. Over 12 miles of railway yards and sidings are now either in use or under construction, and mechanical equipment, including a large roundhouse capable of accommodating 36 locomotives, is nearing completion, which will make this port one of the best in Canada for handling both incoming and outgoing freight.

The number of vessels arriving at and the number departing from Halifax, with their tonnage, for the fiscal year ended March 31, 1909, was as follows, by countries:

Nation.	Arrivals.				Departures.			
	Steamships.		Sailing vessels.		Steamships.		Sailing vessels.	
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.
United States.....	12	13,852	87	15,716	11	11,934	82	14,546
Denmark.....	1	1,572			2	3,144		
France.....	25	12,948	1	144	24	11,718		
Germany.....	20	59,946			20	60,148		
Italy.....			2	1,846			2	1,848
Netherlands.....	2	9,612			2	9,612		
Norway and Sweden.....	35	28,954	12	10,189	36	30,132	11	10,006
United Kingdom.....	424	972,780	376	45,143	410	956,893	404	36,886
Total.....	519	1,099,664	478	73,038	505	1,083,581	499	62,374

HUNTING AND FISHING OPPORTUNITIES—BUSINESS FAILURES.

Nova Scotia affords as fine opportunities for hunting and fishing as any other country in North America. About one-third of the Province is under cultivation and one-third more available for cultivation, while the remaining one-third is of such nature that it is bound to remain wild. With cheap and convenient transportation from the United States to all parts of the Province, a great many sportsmen and others come from the United States to enjoy the hunting and fishing.

While Nova Scotia felt the financial stringency which was so generally prevalent during the year over the continent, the successful year in agriculture operated against this depression in business and offset the generally unfavorable results. The commercial failures for 1908 were 70, with liabilities of \$440,849 and nominal assets of \$109,844, against 81 failures with \$614,363 liabilities and \$274,632 assets for 1907. In Halifax the failures in 1908 were 6, with liabilities of \$44,008 and assets of \$13,027.

TRADE CONDITIONS.

A number of the leading merchants and importers were interviewed relative to increases and decreases in imports during the past year, especially as regards the United States, and information was solicited regarding packing, promptness in the filling of orders, and the general attitude toward the imports from the United States, as compared with those from other countries.

In no instance was there criticism regarding the packing by American manufacturers. The prompt filling of orders by Americans was commented upon by all and there was no complaint of substitution in the filling of orders. Deliveries from the United States are made in less than half the time necessary for those from England, and this, together with the difference in the cost of transportation, is greatly in favor of the American exporter. On the other hand, owing to the preferential tariff, the British exporter pays in most instances from 25 per cent to 50 per cent less duty on the same articles. Complaint has been made that some American exporters in the past have not attached to their invoices the certificate required by the Canadian customs when entries are made, thus causing the importers much annoyance and trouble.

BOOKS, PAPER, INK, DRUGS, AND SOAP.

American branch houses publish books in Toronto, Canada, and hold the Canadian rights for all late books. Also a general line of books is imported from Great Britain. The publishers here buy their printing paper exclusively in Canada, owing to the protective tariff. In writing paper, the imports from the United States rank first, with Great Britain second, the quality of both being much superior to the Canadian product.

Ink comes largely from the United States. The packing is good and the shipments are reported as being prompt. Schoolbooks published in the United States are used in the public schools, and also texts published in Halifax. This field is open since the trade demands the best books regardless of country of publication.

Drugs in general are imported from England and from the United States, there having been a general increase in this trade. Shipments from the United States are prompt and there are no complaints, while English shipments require from six weeks to two months and even longer. American soaps and toilet preparations are very popular and show a decided increase in imports over previous years. The amount of drugs put up in Canada is increasing rapidly; American firms who have a portion of the trade and wish to retain it are establishing branch houses in the larger cities, importing in bulk and marketing to the retailers. The finest French soaps are imported through New York houses, which have the exclusive agency for the Continent. Canadian soaps, the sale of which is increasing, rank third and English soaps fourth.

The year 1909 should show a great difference in the imports of drugs, as a Canadian firm handling drugs and chemicals with a branch house in Halifax is about to commence to supply the retail trade with a general line for prescriptions. This new competition has sufficient financial backing to seriously affect the trade and it will be aided by the tariff.

ELECTRICAL SUPPLIES AND GLASS.

Electrical supplies are ordered mostly from the United States, Toronto, and Montreal. England can not furnish the supplies to conform to the National Code rules, hence the United States captures the bulk of the trade. Electrical wire, which was formerly imported wholly from the United States, is now supplied by Canadian firms, and the foreign trade has fallen off. The sockets, globes, etc., are manufactured in the United States and are assembled in the Canadian branch houses, which supply a large part of the trade. More electrical goods are being manufactured each year in Canada, either by Canadian firms or American branch factories. Prospects are that imports can not increase in the future as they have heretofore, and that gradually the factories located at Niagara, Montreal, and Toronto will absorb the bulk of the trade.

Owing to the preferential tariff in favor of Great Britain, all plain glass comes from England, as Canada has not yet taken up its manufacture. Although the American glass is cheaper, yet the duty excludes plate and plain glass, which could, were it not for this tariff, easily compete with the English manufacture. Little art glass is imported, most of it being manufactured in Canada. The trade in glass is steady and shows little change from previous years.

IRON AND STEEL MANUFACTURES.

Cutlery is imported from Sheffield, England, excepting butchers' knives, cleavers, etc., which come from the United States. Small amounts of cutlery are imported from Germany. Silverware is bought from an American branch house located in Canada, which imports the blanks from the main factories in the United States and plates them at the branch.

Kitchen ware comes from England and Germany, with very little from the United States. Small hardware of Canadian manufacture is on the increase. Iron and steel manufactures for ships, such as

anchors, chains, etc., are imported from England. Shelf hardware is purchased mostly from the United States.

A prominent American firm has the bulk of the trade in tools and building materials. Dealers state that there is little competition in this line, the American-made tools being far superior to those of either English or Canadian manufacture.

The heavy stock comes from the United States and Canadian branch houses. Steel rails are manufactured in Nova Scotia. Wire is imported very largely from the United States.

Sporting goods are bought wholly from American firms, cricket goods come from England, and hockey clubs and skates are manufactured in Canada. No leather sporting goods are manufactured in Canada.

PAINTS AND PAPER.

Paints are imported from England and are manufactured in Canada also. The United States has only a fractional part of this trade, sending a few prepared paints and stains such as are popular in the United States. A branch of an American house is located in Montreal to supply the trade in prepared stains. England furnishes most of the varnishes. The trade showed little change during the past year. The large American firms could successfully compete if branch houses were established in Canada importing varnish in the crude state and marketing the finished product from the Canadian factory. The American prepared stains which are supplied in this way by a Montreal branch factory have become extremely popular.

The trade in wall paper is about equally divided between England, the United States, and Canada. The finest wall papers come from the United States. Nova Scotia is supplied from the United States, Montreal, and Toronto. The small difference in imports in favor of the United States is due to writing paper. Printing paper is manufactured exclusively in Canada; and this country will soon be able to supply its whole trade, since it possesses the necessary raw materials for the production of all lines of paper manufactures excepting the finest writing linens.

PROVISIONS AND GROCERIES.

All flour and meal is supplied by Canadian mills located in the western provinces. Corn is shipped here exclusively from the United States and is ground in Canadian mills. Oysters in cans are imported from the United States. The Prince Edward Island oyster does not compete in the general trade. Beans and other vegetables are produced and canned in Canada. Lard, beef, and pork are purchased from the United States in large quantities. Canned meats, which formerly came from the United States, are now put up in Canada and are much lower in price than the American product. There are large imports of dried fruit from California. Prunes, which a few years ago came from Austria, now come from California, which State also controls the large trade in raisins.

The provision trade with England consists largely in prepared foods, but is shifting, so that Canada is now beginning to supply its own needs in these lines. Several American firms have established branch houses to supply the Canadian trade. An American pork-packing

concern recently established a branch in a western province and now has a splendid trade in lard and similar pork products. An American firm handling fresh fruit has recently established a branch office in Halifax, and as a result the imports of fruit promise to show gains.

STRAW MANUFACTURES—CLOTHING.

England controls the trade in straw manufactures, as in many others, by means of the preferential tariff. Straw hats are imported almost exclusively from England. Small lines of high-grade hats and other men's furnishing goods are imported from the United States, but they command a higher price than the English article, and consequently are not strong competitors except with the best class of trade.

Clothing comes from Montreal and Toronto factories. In previous years there was a good sale for children's cotton washable clothing bought in the United States, but it is reported that salesmen for that line did not cover this territory the past year, and consequently no orders were placed. Men's shirts, linen collars, and underwear are made in Canada and also imported from the United States in small quantities, but the latter can not compete in the general trade on account of price, although of better quality.

MUSICAL INSTRUMENTS.

Five years ago nearly all musical instruments came from the United States. Owing to the preferential tariff, which imposes a duty of 30 per cent on American goods, as against 20 per cent on English goods, the imports have shifted to English goods, which have given satisfaction at lower prices. Goods of Canadian manufacture rank second in the trade. There is a lively trade in phonographs, which are supplied principally by the United States, but which are entered at other Canadian ports where agencies have been established. The records are made in Canada. This branch of the trade is therefore not shown in the imports into Halifax. A few American pianos and players are imported by the dealers.

The difference in imports of musical instruments in favor of the United States is accounted for by the fact that when goods such as pianos and organs are ordered directly from the factories in the United States the dealers' profit is avoided, which leads to direct orders instead of purchases from the dealers who are supplied from the United Kingdom. Pianos valued at \$6,263 were imported into Halifax from the United States in 1908 against \$2,803 from England; piano players at \$2,554 from the United States against \$198 from England, and phonographs valued at \$1,993 from American firms against \$187 from England. The only import item in which England exceeds is brass instruments.

BOOTS AND SHOES.

American made boots and shoes were imported into Halifax in 1908 to the amount of \$14,414, against less than \$600 for all other countries. The American shoe has become very popular, especially the ladies' shoe, in which line there is little competition even by the

Canadian makes. Dealers state that the ladies' shoes made in Canada lack the style, finish, and stock which distinguish the American product. The Canadian shoe for ladies is heavier and its sale is limited to the winter trade. American manufacturers control the trade for several reasons, namely, the Canadian factories lack the necessary skilled labor and machinery; the American shoe comes in a large variety of styles; a traveling salesman covers the territory with a full line of samples; and, lastly, the shipments are very prompt.

Men's shoes show keener competition than ladies' shoes. The Canadian shoe is well built and closely resembles the American product. The best men's shoes sold are American made, while the cheaper grades are supplied entirely by the Canadian factories. The trade as a whole is about evenly divided between the two countries. Business is reported as showing more favorable prospects for 1909. Three retailers alone handle more than \$10,000 worth of American goods annually. The balance of \$4,000 is divided among several small dealers handling cheaper grades. With care, American firms can retain their share of the shoe trade, but the Canadian factories in the largest cities are becoming close competitors, especially in men's shoes. In rubber boots the American manufacturers absolutely control the trade, which amounted to \$7,352 in 1908.

COTTON MANUFACTURES—HATS—HEMP AND SALT.

England exported to Halifax cotton manufactures to the amount of \$120,995 in 1908, against \$7,686 from the United States, and \$1,710 from all other countries. All the raw cotton imported into Halifax comes from the United States and in 1908 was valued at \$109,624; it is used in the textile mills of Nova Scotia.

Hats to the value of \$22,427 came from England, while only \$7,969 worth were imported from the United States. In the medium and cheaper grade hats the English article is reported as giving better satisfaction, and the only hats imported from the United States are those of the highest grade.

Hemp is imported from the Philippines through England. The imports last year were valued at \$42,054. There was no hemp imported from the United States or other countries.

All the salt imported into Halifax comes from England and other countries. It is solar salt and is used in the curing of fish. The total imports amounted to \$33,979.

Jellies were purchased from England to the amount of \$10,748, while only \$424 worth came from the United States. Pickles valued at \$15,729 were imported from England, against \$851 from the United States. American trade in these articles does not appear in the figures for this consular district, as most of this class of goods is sent into Canada through Toronto and Montreal and distributed in job lots to the dealers throughout the provinces.

IMPORTS AND EXPORTS.

The total value of the imports into Halifax during 1908 was \$8,407,269, of which the United States furnished articles worth \$2,022,950, United Kingdom \$2,286,960, and all other countries \$4,097,359. In the following statement is shown the total value of the principal

articles of import for 1908, with the share of each from the United States and that from the United Kingdom.

Articles.	Total.	United States.	United Kingdom.
Animals.....	\$3,080	\$2,488	\$577
Animal products.....	20,047	9,153	950
Bones and dust.....	28,922	10,932	11,465
Books, etc.....	56,872	32,013	24,097
Breadstuffs.....	130,707	95,410	34,062
Candy.....	18,284	4,123	12,411
Coal.....	178,341	178,269	72
Cocoa, and manufactures of.....	117,545	8,926	38,596
Cotton, and manufactures of.....	240,015	117,310	120,995
Drugs and chemicals.....	149,916	77,766	38,346
Earthen and china ware.....	27,217	2,361	21,641
Electrical apparatus.....	20,687	18,397	1,907
Fancy goods.....	27,663	5,415	20,581
Fertilizers.....	2,850	98	2,832
Fish.....	25,375	11,600	187
Fish lines and nets.....	102,020	70,835	30,787
Flax, manufactures of.....	58,985	1,106	57,879
Fruits.....	285,842	151,348	32,793
Glass, manufactures of.....	53,481	11,023	35,556
Gutta-percha, etc.....	20,861	13,659	7,180
Hats.....	30,966	7,969	22,427
Iron and steel, manufactures of.....	374,830	170,217	197,475
Jewelry.....	8,996	4,556	4,210
Leather, and manufactures of:			
Boots and shoes.....	14,968	14,414	508
Leather.....	6,063	3,464	2,599
Metals.....	146,839	43,762	91,420
Oils:			
Animal, etc.....	55,067	34,890	19,719
Kerosene.....	154,443	152,299	2,144
Packages.....	76,504	23,649	43,597
Paper, manufactures of.....	51,776	29,915	20,682
Parcels.....	20,027	12,913	7,114
Pens.....	4,180	3,715	455
Pickles.....	16,939	851	15,729
Provisions.....	225,023	206,405	18,352
Scientific apparatus.....	12,167	10,066	2,066
Seeds.....	13,227	12,116	1,106
Settlers' effects.....	27,559	15,997	4,545
Soap.....	20,294	15,434	2,430
Spirits.....	164,252	911	115,036
Straw, manufactures of.....	138,156	4,404	133,512
Tea.....	253,158	180	160,677
Tobacco.....	31,609	9,795	2,341
Vegetables.....	28,872	16,228	11,224
Wood, and manufactures of.....	51,149	45,096	3,623
Wool, manufactures of.....	237,716	2,242	229,801
All other articles.....	4,673,690	359,230	681,256
Total.....	8,407,269	2,022,950	2,286,980

CLASSIFICATION OF EXPORTS.

The declared value of the exports from Halifax to the United States in 1908 showed an increase of \$376,956 over the previous year. The articles and their values for 1907 and 1908 are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Berries.....	\$39,569	\$20,145	Junk.....	\$28,588	\$7,890
Fish and fish products:			Lime juice.....	4,351	6,499
Cod.....	158,900	320,393	Liquors.....	2,606	1,267
Haddock.....	16,459	8,004	Oil, cod.....	20,113	19,744
Herring.....	29,805	37,626	Skins.....	8,992	31,176
Mackerel.....	107,669	134,024	Wood, and manufactures of:		
Pollock.....	11,570	268	Laths.....	85,382	61,100
Salmon.....	6,300	3,381	Planks and boards.....	247,942	301,685
Lobsters.....	52,226	93,279	Pulp wood.....	4,865	
Other.....	12,549	1,134	All other articles.....	30,099	37,540
Gold bullion.....	63,304	81,239			
Gypsum.....		132,091	Total.....	926,424	1,303,380

The declared exports to Porto Rico for 1908 showed an increase of \$46,398 over 1907, the shipments being valued for the two years at \$140,067 and \$93,669, respectively. The principal articles for 1908 were: Codfish, worth \$129,622; herring, \$5,184; and lumber, \$4,142.

SYDNEY.

By CONSUL JOHN E. KEHL.

The city of Sydney, the distributing point for the island of Cape Breton, and previous to 1816 the capital of the separate Province of Cape Breton, occupies a commanding position in the world of shipping, and is situated on the southwest arm of one of the best natural harbors on the Atlantic. The sea entrance to Sydney harbor is about 2 miles wide and about 4 miles in length, with an average midstream depth of 45 feet. In 1899 Sydney had a population of only 3,500, to-day it has 15,000, with a world-wide reputation as a steel-producing community.

A conservative estimate places the amount of capital invested in industry, within a radius of 10 miles of Sydney, at \$70,000,000, with an estimated daily pay roll of \$30,000. The Dominion Coal Company (Limited), organized in 1893, has an outstanding capitalization of \$23,000,000. The Dominion Iron and Steel Company (Limited), organized in June, 1899, is capitalized at \$20,000,000. The Nova Scotia Steel and Coal Company (Limited), situated at North Sydney, 6 miles from Sydney, places its capitalization at \$6,030,000. If present calculations go through, the National Rolling Mills (Limited), to be financed by Toronto capitalists, with a proposed capital of \$1,600,000, will erect a plant in Sydney. The Dominion Tar and Chemical Company (Limited), the Sydney Cement Company, and the Saunderson Manufacturing Company, which consume most of the by-products of the steel works, will likewise enlarge their plants.

FINANCIAL CONDITIONS—BONDED DEBT OF SYDNEY.

The general financial stringency of 1907 and 1908 was probably felt as little in Cape Breton as in any other part of the Dominion. A mortgage loan company with more than \$75,000 placed in and about Sydney had only a small amount of foreclosure during the year. Banks report a decrease in discounts and an increase in their savings department.

No assignment of any importance or indications of financial weakness among the larger local concerns was reported by the banks during 1908. As a whole, the merchants and manufacturers are reported as being on a sounder footing than they were during 1907. The annual retail trade of Sydney is estimated at close to \$3,000,000.

The municipal corporation is in splendid condition. The bonded debt of the city at the close of 1908 is given at \$917,000, from which are to be deducted the amount of sinking funds, civic realty, water-works, etc., valued at \$748,653, which would leave a net debt of only \$168,347. The value of property assessable for taxation purposes exceeds \$6,000,000. During the past eight years large amounts of money have gone out of the city to pay building loans and other obligations; within the next three years most of these obligations and loans will be paid.

OUTPUT AND SHIPMENTS OF COAL.

During 1908 ten collieries were in operation in Cape Breton, the total production of which amounted to nearly 5,000,000 tons.

The Dominion Coal Company, located at Glace Bay, the largest colliery in Canada, employing an average of 7,000 men and with a monthly pay roll ranging from \$250,000 to \$350,000, reports a slight decrease in output and shipments for 1908. Its output in 1908 was 3,519,489 tons, against 3,522,747 tons in 1907, while its shipments amounted to 3,189,943 and 3,233,701 tons, respectively.

The shipments of coal to the St. Lawrence market by this company began in April, an unusually early date, and amounted to 1,345,000 tons, an increase of 200,000 tons over 1907. During the industrial and commercial depression in the United States American coal was brought into Montreal at reduced prices, which made it a formidable competitor and caused this company to lose considerable business, and eventually forced it to operate on less than half time.

Another element that caused considerable loss to the coal interests was the pall of smoke along the St. Lawrence, caused by the forest fires during September and October last, which formed a serious interruption to the gulf and river traffic.

The Nova Scotia Steel and Coal Company at North Sydney, employing approximately 2,600 men and with a monthly pay roll of \$120,000, constitutes the second largest colliery in Nova Scotia, and reports an increase in its output.

The coal interests predict that the present year will be a record breaker. New machinery and mining facilities installed in several collieries during 1908 will have a tendency to increase the output. Two practically new concerns, one near North Sydney and one at Port Morien, will contribute materially to the year's production.

IRON AND STEEL.

The Dominion Iron and Steel Company, located in Sydney, is the largest concern of its kind in Canada. During the busy season 3,000 men are employed at the works, earning an average of over \$200,000 per month. During 1908 the plant was not idle for one hour. During the last quarter of 1908 shipments of open-hearth rails, said to be superior to Bessemer rails, were made to New South Wales, Australia, and Punjab, India, in competition with English and American mills. This practical demonstration will probably cause a bill to be brought before the Canadian House of Parliament to extend the present export bounty, which is now being paid by Canada to shippers.

The producing units of the company are as follows: 50 by-product coke ovens; 4 blast furnaces; 2 Bessemer converters; 1 hot metal mixer; 10 open-hearth steel furnaces; 1 blooming mill; 1 coke billet mill; 1 rail mill; and 1 coke rod mill.

Two independent subsidiary works are located on the property of the steel company, a tar and chemical company for the utilization of tar produced at the coke ovens, and a cement company, using the blast furnace slag for the manufacture of cement. Also a company manufacturing tar paper is supplied with tar by this company.

The gross earnings of the Dominion Iron and Steel Company for the years ended May 31, 1905, 1906, 1907, and 1908 were \$460,846, \$1,406,306, \$2,247,536, and \$2,613,816, respectively. The production of the company during 1908 was as follows, in tons: Mixed ore, 556,000; stone, 304,000; pig iron, 263,000; steel, 279,000; rails, 153,500; wire rods, 41,500; other steel products, 35,000; sulphate of ammonia, 3,000; and tar, 4,500,000 gallons; 840,000 tons of coal were consumed. The shipments, in tons, were: Pig iron, 18,000; steel blooms, etc., 32,500; wire rods, 44,500; steel rails, 150,000; sulphate of ammonia, 2,600; slag, 18,000; and tar, 4,500,000 gallons.

The good quality, easy access, and cheap delivery of Newfoundland ore, the immediate abundance of fuel, the excellent water shipping facilities, the exemption from local taxation, and the granting of a government bounty on practically all of its products, place the Dominion Iron and Steel Company in a position to manufacture at the lowest possible cost.

THE NOVA SCOTIA STEEL AND COAL COMPANY.

The Nova Scotia Steel and Coal Company, located at North Sydney, was more actively engaged during 1908 in the mining of coal than in the manufacture of steel. The steel plant of this concern employs an average of 600 hands. Owing to the dullness of the market during June, July, and August, the open hearths were practically idle. This company has its own fleet of 5 vessels engaged in the coal and ore trade, in addition to which some 13 vessels were chartered during the year for the St. Lawrence coal trade. The vessels engaged in ore trade transported 120,000 tons of ore from Wabana, Newfoundland, to North Sydney. The output of its blast furnaces for 1908 was 54,982 tons, of which 10,000 tons were foundry iron, the balance being basic, used in their open hearths. The output of steel at the open hearths is given at 52,413 tons. The company's output of coal in 1908 was 680,772 tons, against 638,065 tons in 1907, while the shipments during the two years were 644,637 and 623,234 tons, respectively. During the year 346 steamers were bunkered at the company's piers. The difference between output and shipments of coal was used at the company's plant at the Sydney mines for the manufacture of coke.

All of the steel is made into ingots, each weighing approximately 3,300 pounds. These are shipped to the company's works at Trenton, where they are manufactured into billets, rolled plates, etc.

FISHERIES—GOVERNMENT FREEZERS.

The fishing season all along the Cape Breton coast was exceedingly good. The catch of cod was above the average, and had a tendency to reduce the prices below those of last year. Spring mackerel and herring were taken in large quantities along the coast from the Strait of Canso to Louisburg. Squid, used entirely for bait, was more abundant than at any other time during the past decade.

Three large mechanical freezers constructed at the expense of the Dominion government at Halifax, Canso, and Port Hawkesbury

have in store about 2,000,000 pounds of squid for bait for the opening of the fishing season. The Dominion government, keenly alive to the interests of the fishermen of Nova Scotia, took this step to promote the interests of their fisheries. Large quantities of squid are being sent to the United States. The catch of lobsters on the coast during 1908 was about 30 per cent larger than during the preceding year. Fine weather prevailed during the whole fishing season in this vicinity, little or no loss of gear being reported. Quantities and prices obtained were all that could be desired. About 40 lobster canning factories operate in Cape Breton, with an average output of 30,000 cases per annum, valued at \$500,000.

Large quantities of seed lobsters are bought each season by the Dominion government and placed in an inclosure of 60,000 square feet of ocean-water surface at Fourchie. At the close of the season, the lobsters with their eggs attached are distributed along the coast to hatch their young in the natural way. It is claimed that by this means millions of eggs are saved annually and that the coast is kept well supplied with lobsters.

Further evidence of the Dominion's interests in its fisheries will be found in the plants erected and equipped by the government at Canso, Clarks Harbor, and Shippegan, New Brunswick, for the utilization of dogfish as a fertilizer and oil producer.

The fleets of fishing smacks from the Atlantic seaboard of the United States have diverted the fish and lobster trade of Canada to the eastward and to the south. The department of trade and commerce at Ottawa is attempting to create a larger home demand for fresh salt-water fish.

ESTABLISHMENT OF REFRIGERATOR SERVICE—GYPSUM.

It has been proposed to establish a fast refrigerator service from Halifax to Detroit and Chicago, where it is hoped a higher price will be realized for fresh salt-water fish than is at present being paid in the New York and New England markets. The route proposed would touch the more populous centers of Quebec, Ontario, New Brunswick, and Nova Scotia. Last year, through the department of marine and fisheries, \$25,000 was devoted to providing refrigerator cars.

In the Province of Nova Scotia 10 companies were engaged in quarrying gypsum rock during 1908. Figures for the calendar year are not available. During the fiscal year ended September 30, 1907, 332,345 tons were quarried and practically the whole output shipped to the United States.

A United States concern, located at St. Anns, shipped to the United States during 1908, 28,710 tons of rock gypsum, a decrease of 12,030 tons from its shipments in 1907.

TRADE WITH THE UNITED STATES.

The value of imports into Sydney and Glace Bay, both being in the same collection district, from the United States in 1908 was \$397,318 and was made up of the items appearing in the table at the top of the following page.

Articles.	Value.	Articles.	Value.
Artificial limbs.....	\$1,285	Iron and steel, manufactures of—Cont'd.	
Beer.....	8,207	Hardware.....	\$3,737
Boats.....	1,181	Machinery.....	50,714
Books.....	3,171	Other.....	87,820
Boots and shoes.....	3,469	Meats.....	5,086
Brass, manufactures of.....	1,444	Musical instruments.....	832
Bricks.....	14,360	Oil, gasoline.....	1,563
Cheese.....	1,598	Ore, magnesite.....	9,896
Clay, fire.....	10,750	Paper, manufactures of, n. e. s.....	657
Clothing.....	3,342	Pictures.....	871
Coal.....	13,398	Rubber goods.....	638
Confectionery.....	1,370	Soap.....	1,200
Copper ingots.....	9,540	Stationery.....	3,587
Copper sheets.....	2,616	Tobacco.....	924
Copper and brass goods.....	4,363	Vegetables.....	7,073
Cotton waste.....	3,119	Wood, and manufactures of:	
Drugs.....	2,100	Furniture.....	662
Electrical apparatus, etc.....	15,975	Timber, etc.....	24,676
Fruit.....	41,524	All other articles.....	41,060
Glass, manufactures of.....	2,268		
Hats and caps.....	3,373	Total.....	397,318
Iron and steel, manufactures of:			
Engines.....	1,889		

Detailed statements regarding the imports into the agencies at Canso, Louisburg, Pictou, and Port Hawkesbury are not available.

CLASSIFIED EXPORTS.

The declared value of the exports, including returned goods, from Sydney and the consular agencies at Canso, Louisburg, Pictou, and Port Hawkesbury to the United States in 1908 was \$1,547,998, against \$1,532,525 in 1907. The items in 1908 were as follows:

Articles.	Value.	Articles.	Value.
SYDNEY.		PICTOU.	
Ammonia sulphate.....	\$33,858	Animals.....	\$503
Coal-tar products.....	12,495	Copper ore.....	5,334
Emigrants' effects.....	9,780	Fish:	
Fish.....	38,990	Lobsters, canned.....	176,255
Gold.....	20,570	Other.....	31,679
Gypsum.....	17,785	Gold bullion.....	109,816
Oil, creosote.....	91,206	Grindstones.....	1,445
All other articles.....	2,506	All other articles.....	4,857
Total.....	227,290	Total.....	329,889
CANSO.		PORT HAWKESBURY.	
Berries.....	963	Animals: Lambs.....	12,205
Fish:		Barytes rock.....	17,043
Cod.....	12,169	Berries.....	903
Lobsters, live.....	6,710	Emigrants' effects.....	911
Mackerel.....	30,040	Fish:	
Salmon.....	2,020	Cod.....	4,421
Other.....	393	Lobsters—	
Oil.....	1,949	Canned.....	55,937
All other articles.....	10,515	Live.....	6,664
Total.....	64,759	Mackerel—	
LOUISBURG.		Fresh.....	35,071
Coal, bituminous.....	745,582	Salt.....	25,186
		All other articles.....	2,573
		Total.....	160,914
		Returned American goods.....	19,564
		Grand total.....	1,547,998

TRADE OPPORTUNITIES.

The island of Cape Breton has been sadly neglected by American commercial travelers. Halifax appears to be the only city of Nova Scotia that is extensively canvassed by them; some American agencies, with the whole of Nova Scotia as territory, are located there. The imports of Sydney and Glace Bay reveal quite a variety of American products, but very little of this trade is the result of personal canvassing. Superiority and low prices of products and proximity are the elements that have created the greater part of the demand. It has been truthfully said that no other similar section of the maritime provinces pays so much, approximately \$700,000 per month, for labor, as does the county of Cape Breton, with its 55,000 inhabitants. The greater part of this money is paid out within a radius of 20 miles of Sydney. It would appear that conditions of this kind warrant some commercial attention. The mailing of catalogues and price lists might, in some instances, secure trade, but the sending of an agent is unquestionably the best method of obtaining and maintaining trade.

The demands of the Nova Scotian, with the exception of that for winter wearing apparel, are identical with those of Americans, and are principally for furniture, wearing apparel, all kinds of edibles, novelties, sporting goods, etc. The people are not antagonistic to American products, a fact which should have a tendency to better the chances of placing merchandise on the local markets. American shoes, hats, ladies and gentlemen's furnishings, hardware novelties, furniture, stationery goods, household articles, groceries, etc., are all articles of daily use and reasonably large consumption.

The market for agricultural implements is limited to plows, harrows, and hand tools. The iron and steel companies on this island consume about 7,000,000 fire bricks of various sizes and shapes each year. The bulk of the present supply comes from Scotland, and usually arrives with a breakage of about 15 per cent. The mines and the steel and iron companies use considerable American machinery in their plants, and are always ready for improvements.

The island of Cape Breton abounds with excellent facilities for boating and fishing. Some 30 motor boats are in use in Sydney. Not one, however, was made entirely in the United States.

The Canadian import duty on boats with or without motors is 25 per cent; on marine motors, 27.5 per cent. Local facilities for installing motors and building boats are not of the best. To introduce American motors or complete boats, it would be advisable to have a local agent with full supplies and repairing facilities.

CANSO AGENCY.

By CONSULAR AGENT ALFRED W. HART.

The imports from the United States during the past calendar year were about \$15,540, a slight increase from the previous year. They consisted of machinery, coal, rubber boots and shoes, twine and fish netting, wall paper, ingot tin, labels, cyanide and bromo salts, grease, sewing machines, books, engine oil, woolen goods, rope, copper, settlers' effects, statues, telegraph apparatus, musical instruments, typewriters, sails, clothing, silverware, etc.

The year 1908 was not a prosperous one for Canso. The product of line fishing was the smallest known in volume, considering the number of hands employed.

The June mackerel fishing was about the largest ever known, but fishermen and merchants being unprepared for handling so large a quantity much of the catch was marketed in a damaged condition and sold for small prices; but even under these conditions many did well. The fall mackerel catch was a failure.

The fall haddock fishery was only moderately successful, rough weather having interfered seriously and the fish being not too plentiful.

An important business in smoked haddock has developed here, and many carloads of these are now shipped to points all over Canada, even to the Pacific coast, and the probability is that Canso will soon exceed Digby in the volume of this business.

The lobster fishery had about its usual volume of product, and on one part of the shore near here there was an appearance of young lobsters in unusual numbers, which seems to indicate that the government hatchery is beginning to make its influence felt upon the catch. Very high prices prevailed, and the pioneer packers withdrew from the field before the end of the season. They may not resume operations here. The business of packing lobsters is believed to be unprofitable to all concerned, except to the fishermen who catch them.

A beginning was made last year in the introduction of the motor for fishing boats, and some little development has been made this season. Much more development would have occurred but for the fact that the fishermen have earned nothing for improvements. Another year may show different results, and it is predicted that the motor fishing boats will some time be counted by hundreds, as they are elsewhere. There are now 8 motor boats here, the development of a year.

LOUISBURG AGENCY.

By CONSULAR AGENT HENRY C. V. LE VATTE.

The principal industries of this district are fishing, lobster canning, coal shipping, and farming. Cod, haddock, mackerel, herring, and lobsters are the principal kinds of fish caught on this coast. Of cod, haddock, and mackerel there was an average catch during the past season. Lobsters were more plentiful than for several seasons past, the catch being one-third larger than in 1907. Herring were plentiful in Babarouse Bay, but very scarce on other parts of the coast. The fishermen use small boats, which are hauled up in the month of November and fishing stopped. During the latter part of December, 1908, a few fishermen set some nets and got quantities of medium-sized herring of good quality. They also set some trawls and got good hauls of codfish and haddock, which proves that winter fishing can be successfully prosecuted on this coast.

A large coal company uses the port of Louisburg during the winter season for shipping coal from its several collieries to the United States and local ports. During the past year the shipments of coal to the United States materially decreased. Shipments of culm coal to Boston for the manufacture of gas and coke decreased from 60,000 tons per month in 1907 to 25,000 tons per month in 1908.

Farming is prosecuted on a small scale throughout this district. Crops of all kinds during the past year were good. Prices of farming produce in this neighborhood ruled high, and many of the farmers are independent as a result.

PICTOU AGENCY.

By CONSULAR AGENT JOHN R. DAVIES.

The imports into Pictou from the United States during 1908 were valued at \$67,480, consisting in part of machinery, extracts, manufactures of wood, iron and steel, fertilizers, hardware, coal (anthracite), boots and shoes, hats and caps, marble, oil, fruit, etc. The exports to the United States for the same period amounted to \$329,889. The leading articles were canned lobsters, gold bullion, fish (salted and fresh), copper ore, grindstones, etc.

The value of the imports is considerably under that of last year, principally that of dry hides, which are shipped directly from Argentina, and not, as in other years, from the United States. In former years a considerable quantity of raw leaf tobacco was imported, while in 1908 only a very small quantity was received. This was due in part to the competition of native-grown leaf and the closing down of the factories for a portion of the year. The exports show an increase of over \$50,000, principally in gold bullion, but a decrease in fresh fish, coal, and lumber.

The fishing season was a profitable one so far as the lobster interest was concerned. There were 24,728 cases packed in this district, and shipments to the value of \$176,255 were sent to the United States. A decline in the English market later in the season was a disturbing element. The fishing industry of the Magdalen Islands was a comparative failure.

The manufacturing industries had a fairly good year, with the exception of a large mining and smelting company whose plant was not operated.

The collieries in the district worked full time and were the means of putting a large amount of money into circulation, thereby greatly benefiting the retail trade of the neighboring towns and giving the farming population ready sale for all its commodities.

PORT HAWKESBURY AGENCY.

By CONSULAR AGENT ALEXANDER BAIN.

The local fishermen had a fairly prosperous season, which opened early with an excellent run of mackerel along the coast, a large quantity of which was taken and sold at good prices. The lobster catch was not quite up to that of 1907, but prices ranged higher, and from a financial point of view 1908 proved to be about an average year.

There were four coal companies working in this district during the past season. Two of these produced in all 257,050 tons, an increase over 1907. Of the other two, one was practically idle, owing to financial conditions, and the remaining one has closed down its pit, but has several drills at work prospecting for a better location for shafts. The latter company is composed of United States citizens and has spent a considerable amount of money during the past year, employing about 100 men.

There is a cold-storage plant at this place, completed during the year, capable of handling several thousand barrels, which is now filled with fresh fish for food and frozen squid for bait. There is also one at Mulgrave, across the Strait of Canso, capable of freezing and storing about 2,000 barrels, which is also filled with fresh fish and frozen squid bait. The squid being available here in early spring gives vessels on their way to the fishing grounds a chance to secure their bait fresh, so that there is no danger of it spoiling while on the way, giving those plants an advantage over all others.

YARMOUTH.

By CONSUL ALFRED J. FLEMING.

An examination of commercial conditions in Yarmouth at the end of 1908 shows that the year was one of reasonable prosperity. Although there were no new enterprises undertaken and there was no great expansion in business, the year as a whole more than fulfills the promise of the opening months. Owing to its peculiar geographical position Yarmouth has not ready access to the markets of Canada, hence a very large proportion of its trade is with the United States. Yarmouth customs figures for 1908 show that out of a total foreign trade of \$1,935,055 for that port \$1,309,133 was with the United States. For this reason this part of Nova Scotia, perhaps more quickly than any other portion of the Dominion, responds to the financial conditions of the United States.

Along the north shore some quantities of apples and lumber are shipped directly to South American and European markets, notably from Digby, Weymouth, and Annapolis Royal, yet the customs statistics from 6 of the 7 Canadian custom-houses in this consular district show that the United States is by far the greatest factor in the foreign trade of this section, the trade being as follows:

Port.	Imports.		Exports.	
	Total.	From United States.	Total.	To United States.
Barrington Passage.....	\$9,500	\$9,193	\$72,860	\$72,860
Digby.....	60,135	37,650	85,760	20,300
Lockport.....	6,611	6,587	12,462	12,462
Shelburne.....	7,610	7,500	33,194	4,259
Weymouth.....	27,790	16,754	236,392	72,112
Yarmouth.....	605,111	477,541	1,329,944	831,592
Total.....	716,757	555,225	1,770,612	1,013,585

DECREASE IN SHIPMENTS TO THE UNITED STATES.

The declared value of exports from this district as shown by consular invoices amounted to \$517,445, a decrease of \$275,180 from 1907. The custom-house figures, however, show that the exports for the two years were practically equal, indicating that a very large proportion of the exports in 1908 was sent in very small lots. The only appreciable loss in exports consulated was in lobsters, both canned and

live. In canned lobsters the loss was \$50,000, and the reality of this decrease is proved by custom-house figures. The sale of this article in the United States was almost a complete failure, and Yarmouth cannery suffered considerable losses. There are now large quantities of canned lobsters on the market unsold, which will undoubtedly keep prices low for the present season.

In live lobsters, however, while the exports as shown by invoices fell off \$219,000, there was an actual increase of \$18,000 according to the customs figures. This discrepancy is partially accounted for by the fact that lobsters shipped to Boston by way of Yarmouth are entered at the Yarmouth custom-house, when in many cases their origin is outside of this consular district and they are declared in other districts. The total lobster catch was equal to the average, and prices were very good. All of the shipments were absorbed by the American market.

The only article of export to show a real increase in 1908 was cod-fish, the value of the exports to the United States nearly doubling that of 1907. In addition to the other exports, fresh fish caught by American vessels, to the value of \$11,017, were manifested by this office for shipment to Boston.

CLASSIFICATION OF EXPORTS.

The declared value of exports from the Yarmouth consular district to the United States during each of the past three years was as follows:

Articles.	1906.	1907.	1908.
Apples.....		\$17,683	\$9,244
Bark, hemlock.....	\$323	516	932
Cotton waste.....	6,308	4,778	1,788
Fish and fish products:			
Cod.....	43,457	49,332	92,839
Haddock.....	5,548	776	5,476
Hake.....	6,492	11,261	11,813
Halibut.....	2,019	11,664	5,683
Herring.....	10,645	13,360	5,462
Lobsters—			
Canned.....	56,228	108,925	52,254
Live.....	177,541	269,292	50,067
Mackerel.....	1,484	3,633	3,113
Other.....	2,990	2,117	8,176
Fishhooks.....	1,111	167	1,566
Furs, raw.....	4,000	7,180	16,964
Household goods.....	3,382	5,779	6,926
Junk.....	7,076	9,247	4,924
Wood, and manufactures of:			
Cord.....	13,366	18,219	20,643
Laths.....	47,418	30,960	14,458
Lumber.....	276,921	210,894	198,388
All other articles.....	13,440	7,074	1,481
Total.....	679,749	782,857	512,187
Returned American goods.....	25,753	9,768	5,258
Grand total.....	706,502	792,625	517,445

TRADE OF YARMOUTH.

The value of the exports from Yarmouth, according to custom-house figures, for 1908, was \$1,329,944, of which articles worth

\$831,592 went to the United States. The exports of principal articles, by countries, were as follows:

Country.	Cod.	Lobsters.	Lumber.	Other articles.	Total.
United States.....	\$132,613	\$359,617	\$59,514	\$279,848	\$831,592
Argentina.....			151,897		151,897
British West Indies.....	38,674		8,598		47,272
United Kingdom.....		120,476			120,476
Other countries.....	87,110		1,955	89,642	178,707
Total.....	258,397	480,093	221,964	369,490	1,329,944

According to custom-house figures at Yarmouth there were exported cotton fabrics in 1908 amounting to \$87,910. The countries to which shipments were made are shown in the following table:

Country.	Value.	Country.	Value.
Australia.....	\$11,210	Nicaragua.....	\$1,355
Brazil.....	9,185	Panama.....	2,445
Chile.....	4,580	Santo Domingo.....	1,405
Colombia.....	1,780	South Africa.....	2,150
Ecuador.....	2,250	Venezuela.....	6,110
Germany.....	12,210	All other countries.....	8,850
Mexico.....	8,240		
New Zealand.....	16,140	Total.....	87,910

No import figures for 1907 are available, but a comparison of 1906 and 1908 from the Yarmouth customs records shows an increase in the latter year of \$12,470. Cottons, iron, metals, foodstuffs, fruits, woollens, and leather are the principal imports. The total imports in 1908 at the port of Yarmouth amounted to \$605,111, of which the United States furnished articles worth \$477,541, and the United Kingdom, \$111,041. The following statement shows the value of the imports, by articles, from these two countries:

Articles.	United States.	United Kingdom.	Articles.	United States.	United Kingdom.
Automobiles and bicycles....	\$11,275		Leather.....	\$9,927	\$2,734
Books and stationary.....	10,557	\$5,943	Marble.....	4,000	
Coal.....	49,125		Metals.....	12,703	21,325
Cotton.....	179,747	16,927	Oils.....	10,100	
Foodstuffs.....	51,032	9,234	Wool.....	497	12,209
Fruits.....	35,402	2,120	All other articles.....	32,884	14,812
Furniture.....	10,255	1,120			
Iron.....	60,037	24,617	Total.....	477,541	111,041

AMERICAN TOURISTS—MANUFACTURES—HARBOR IMPROVEMENTS.

American tourists, who contribute in no small degree to Nova Scotian prosperity, distributed less money in 1908 than in 1907. Only 31,112 persons came to Yarmouth by steamship from Boston in 1908, a decrease of 1,409 from 1907. This does not show the entire actual loss in tourist trade, as a large proportion of passengers in 1908 was Nova Scotians returning to their native country to await more favorable trade conditions in the United States.

Yarmouth manufacturers have had a busy year. Factories were run to their full capacities, but no large additions were made. The principal occurrence of interest in manufacturing circles was the securing of a contract by a local firm for the building of a steel tugboat. It is hoped in Yarmouth that this will lead to the building up of a large industry in steel-ship building, which will take the place of the now extinct wooden-ship building industry, to which the town still owes in great part its wealth and prosperity.

The public works department has taken active steps to improve the Yarmouth harbor. For five months a dredge has been at work deepening and widening the channel to the wharves, which are now available at low water for vessels drawing 19 feet.

ONTARIO.

CORNWALL.

By CONSUL HENRY C. A. DAMM.

This consular district comprises the counties of Dundas, Stormont, and Glengarry, the extreme southeastern corner of the Province of Ontario. During 1908 the district suffered commercially and industrially from the depression everywhere prevalent, but no serious injury was done. The mills and factories continued operations throughout the year, though some were compelled to shorten the number of hours of labor per week and others to accept contracts for lower quality of goods than customarily turned out and to be satisfied with smaller profits; but only a few were compelled to reduce the working force and no reduction of wages was reported.

The leading manufacturing concerns in this district are: Canada Colored Cotton Mills, employing 1,300 hands and consuming about 10,000 bales of raw cotton; Toronto Paper Mill, employing 160 hands and making its own pulp, 60 per cent of which is from wood and 40 per cent from rags; McGill Chair Factory, employing 75 men; Canada Tin Plate and Sheet Steel Company, which began operations in 1907 and is the only mill of its kind in the Dominion, being located at Morrisburg and employing 150 to 175 men; Howard & Cowan Stove Foundry, Morrisburg, employing 40 men; Canadian Condensing Company, Chesterville, employing 20 to 25 hands and producing condensed milk and cream; and Munro & Macintosh Carriage Company, Alexandria, employing 140 workmen.

None of the products of these factories is sold in the United States; some cotton goods go to Australia, and the remainder is for home consumption.

DAIRYING THE CHIEF INDUSTRY.

The chief industry of this district is dairying, no other section of Ontario being so largely devoted to this source of farm revenue. The industry was as prosperous in 1908 as in 1907. There are 215 to 220 cheese and butter factories within the limits of the three counties. The sale of the bulk of their output is made through the "cheese boards," of which there are six, though some cheese and butter is sold privately. The boards sell to Montreal buyers, who purchase for the English markets. The district produced in 1908 approxi-

mately 18,400,000 pounds of cheese, which sold at an average price of $11\frac{1}{2}$ cents per pound. About six new factories were erected during 1908 and about \$21,000 was invested in new buildings and improvements.

The data as to the production of butter were not obtainable, but it is very much less than that of cheese.

The articles of import into the port of Cornwall from the United States in 1908 were valued at \$128,452, and consisted of the following: Coal, \$27,852; general merchandise, \$25,134; sheet steel bars, \$65,610; settlers' effects, \$6,400; grain, \$1,921; and animal products, \$1,535.

EXPORTS TO THE UNITED STATES.

The total value of exports declared from Cornwall to the United States in 1908 was \$48,633, against \$72,312 in 1907. The value, by articles, in each of the two years was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals, live.....	\$12, 184	\$4, 031	Lumber.....	\$6, 332	\$5, 110
Drugs.....	6, 388	1, 130	Machinery.....		2, 420
Hides and skins.....	32, 956	20, 347	All other articles.....	7, 817	2, 898
Hay.....	1, 267	1, 235			
Household goods.....	5, 368	11, 462	Total.....	72, 312	48, 633

The notable decrease in almost all of the articles of export is due to the fact that home markets are developing rapidly in this section and that ready sale is found here for articles formerly exported to the United States. Horses, for instance, are in demand in the local markets and the prices of hides and skins in the United States were not high enough during 1908 to induce large shipments.

FORT ERIE.

By CONSUL HORACE J. HARVEY.

On account of high prices prevailing in the United States, Canadian oats for the first time found a market there in 1908, although subject to a duty of 15 cents per bushel. The lumber exports increased in value from \$6,813 in 1907 to \$35,564 in 1908. There were 1,000 more lambs shipped to the United States in 1908 than in the previous year. A few thousand bushels of barley and buckwheat found a market in Buffalo.

On account of the financial depression there was a falling off in the export values of many articles. The value of hides shipped to the United States in 1908 was \$32,020, against \$68,068 in 1907. Only 51 horses were exported to the United States in 1908, against 102 in the previous year. There was also a decrease in the shipments of cattle, the values falling from \$150,967 to \$26,828. Hay commands a high price for the reason that so many race horses are sent here during the racing season. The yield in this vicinity was 500 pounds more per acre than in 1907. Farmers find a good market for their general produce, as 200 or 300 American families spend the summers on the north shore of Lake Erie.

EXPORTS TO THE UNITED STATES.

The declared value of exports of Canadian products to the United States from this consular district in 1908 was \$861,721, against \$586,727 in 1907. The value of returned American goods in 1908 was \$200,541, the goods consisting of the following principal articles: Race horses, valued at \$157,715; contractors' outfits, \$20,094; household effects, \$10,364; automobiles, \$2,220; and paintings, \$2,000.

The value, by articles, of the exports to the United States in 1908 was as follows:

Articles.	Value.	Articles.	Value.
Animals:		Steel, scrap.....	\$10,965
Cattle.....	\$26,828	Stone and sand.....	1,145
Horses.....	16,440	Tobacco.....	3,716
Lambs.....	156,926	Vegetables:	
Automobiles.....	3,000	Beans.....	14,818
Breadstuffs:		Peas.....	897
Barley.....	6,281	Turnips.....	1,103
Buckwheat.....	2,618	Wood, and manufactures of:	
Flour.....	13,353	Lumber.....	35,564
Oats.....	429,841	Shingles.....	5,575
Oat hulls.....	8,325	Timber.....	1,754
Emigrants' effects.....	14,451	All other articles.....	5,760
Fertilizers.....	2,316		
Fish.....	21,822	Total.....	861,721
Hides.....	32,020	Returned American goods.....	200,541
Poultry.....	6,848		
Rubber, scrap.....	9,983	Grand total.....	1,062,262
Seeds.....	29,363		

PRICES OF PRODUCTS SHIPPED TO THE UNITED STATES.

The following statement shows the average declared value per unit of the principal Canadian products exported from Fort Erie to the United States in 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beans.....per bushel..	\$1.80	\$1.65	Lumber.....per M feet..	\$17.50	\$18.75
Buckwheat.....do.....		.60	Oats.....per bushel.....		.38
Cattle.....per head.....	15.67	15.76	Oat hulls.....per ton.....	17.50	13.56
Clover and grass seeds, per 100 pounds.....	7.38	11.25	Poultry, live.....per 100 pounds..	8.40	8.60
Hides.....per 100 pounds..	9.15	7.57	Rubber, scrap.....do.....	11.75	7.75
Horses.....per head.....	280.00	300.00	Steel, scrap.....per ton.....	12.00	10.00
Lambs.....do.....	5.00	5.00	Rags.....per pound.....	.08	.04

HAMILTON.

By CONSUL JAMES M. SHEPARD.

The year 1908 was one of extreme stringency to manufacturers, dealers, and the laboring classes, which was not relieved by a proportionate reduction in the cost of living. Rents were somewhat reduced for the cheaper class of dwellings, but farm and garden products, groceries, fuel, and clothing were at the high prices of 1906 and 1907.

Many factories were closed for a time, while others were operated on short hours or fewer days per week, and private and organized

charities were heavily drawn upon; but there were very few business failures, and none of established industries. The only increases were in the sales of automobiles and in the output of motor boats.

The completion of the Hamilton and Brantford Electric Railway brought a material gain to the shops and general business of the city, and a new boat, the Stradacona, 500 feet long and of 11,000 tons burden, built at Detroit, Mich., was added to the fleet of the Inland Navigation Company, now consisting of 11 steamers.

LEADING INDUSTRIES—CHEAP ELECTRIC POWER.

The principal industries of this consular district are manufacturing and agriculture. Chief among the products of the former are agricultural implements, cotton cloths, clothing, shoes, tobacco and cigars, silver and plated wares, whisky, air brakes and electric supplies, carriages, carpets, and iron and steel, and manufactures therefrom. The chief agricultural products are fruit, high-grade and thoroughbred stock, wool, cheese, and the output of mixed farming. Cheese, apples, and cured meats are exported to Great Britain; agricultural implements, cured meats, cheese, and whisky to the British colonies; wool to the United States, and cotton duck to all countries.

Raw materials not found in Canada are chiefly imported from the United States and Great Britain; cotton, coal, iron ore, iron, brass, and leather from the former, and woolen cloths, tin plate, and iron from the latter. The woolen industry has been practically destroyed by the competition of Great Britain, under the preferential tariff. The largest operator in wools in Ontario states that more than 100 mills are closed and that a plant in this district which cost \$750,000 finds no purchaser at \$75,000.

Except in the woolen industry manufacturing has developed phenomenally, especially in protected and subsidized industries, since the introduction of cheap electric power by the Cataract Power Company in 1899. This company obtains its power from Decew Falls, 34 miles from Hamilton, and undersells all competitors, including the Ontario government.

In 1906 the government appointed a commission to consider and, if practicable, to take charge of, the transmission of electric power from Niagara Falls to the manufacturing centers of Ontario, to be furnished to civic corporations at the lowest cost at which it was found to be obtainable. The work is well under way, and promises material advantage to most of the cities in southern Ontario from Toronto to Windsor.

The cities of Hamilton, and Brantford have recently closed new contracts with the Dominion Power and Transmission Company, successor to the Cataract Power Company, upon a guarantee that power will be furnished 10 per cent cheaper than the government price, now or hereafter, not only to the civic corporation but also to private users.

TRADE OPPORTUNITIES.

The chief industries in Hamilton are owned and controlled in the United States, and 23 manufacturing corporations have branch plants here to supply the Canadian trade.

A statement recently given out by The Greater Hamilton Association claims for the city 425 factories, great and small, giving employment to 6,500 males and 12,500 females, with an invested capital of \$22,000,000, and an annual output of \$32,000,000. The report for 1907 gave the number of resident Americans as 3,000.

There is no prejudice shown toward Americans or American goods, and this market is as accessible as Michigan. There is no tax on salesmen, and no distinctions are sought or made. Collections are as easily enforced as in the United States, and the people prefer many kinds and styles of American goods. The department stores send their buyers to New York every season; dressmakers and milliners attend the spring and fall openings, and do not neglect to advertise their going; and no salesman should turn at Buffalo or Niagara Falls without visiting this and neighboring cities, if they carry suitable wares and such lines as may compete with the offerings of Germany and Great Britain. The bulk of ready-made and semi-ready suits for ladies sold here is from Germany, but American styles are preferred by the well to do.

If desirable goods are fairly shown, at prices that allow a fair profit and if care is taken that the articles are up to sample and as good as represented, there is no less permanence in a trade connection here than in the United States.

EXPORTS TO THE UNITED STATES.

The exports from this consular district, to the United States in 1908, including returned goods, were valued at \$1,206,965, against \$1,579,193 in the previous year. Included in the shipments of returned goods from Hamilton are horses to the value of \$150,785.

The following statement shows the articles of export to the United States in 1908 from Hamilton and the agencies at Brantford and Galt and their value:

Articles.	Value.	Articles.	Value.
HAMILTON.		HAMILTON—continued.	
Animals:		Skins:	
Cattle.....	\$2,300	Calf.....	\$10,975
Horses.....	1,325	Pig.....	1,353
Sheep.....	960	Tea.....	3,297
Brass clippings.....	3,501	Tin, waste.....	2,368
Breadstuffs:		Tobacco.....	2,968
Barley.....	2,972	Whisky.....	5,436
Oat hulls.....	520	Wood, manufactures of:	
Casings, sausage.....	8,035	Lath.....	1,500
Cotton:		Lumber.....	29,869
Raw.....	3,000	Wool.....	40,636
Waste.....	1,161	All other articles.....	10,207
Emigrants' effects.....	59,284	Total.....	276,744
Fertilizers.....	23,652	Bullion:	
Furs, raw.....	2,554	Gold.....	11,073
Grease.....	3,325	Silver.....	26,480
Hides.....	13,767	Returned American goods.....	200,032
Iron and steel, and manufactures of:		Grand total.....	523,329
Machinery.....	1,585	BRANTFORD.	
Steel.....	1,697	Animals, live.....	10,900
Jewelers' sweepings.....	4,090	Bones.....	2,500
Platinum, scrap.....	2,760	Breadstuffs:	
Rags.....	3,121	Flour.....	6,366
Rubber, scrap.....	8,030	Oat hulls.....	11,019
Seeds:			
Bluegrass.....	8,693		
Clover.....	8,613		
Grass.....	3,292		

Articles.	Value.	Articles.	Value.
BRANTFORD—continued.		GALT.	
Casings, hog.....	\$2,864	Animals:	
Emigrants' effects.....	25,499	Cattle.....	\$3,350
Fertilizers.....	19,761	Horses.....	7,075
Ginseng.....	1,055	Sheep and lambs.....	1,490
Grease.....	2,621	Bones.....	2,572
Hair.....	3,063	Breadstuffs:	
Hides.....	141,966	Flour.....	8,802
Machinery.....	3,037	Oat hulls.....	23,457
Milk curds.....	5,864	Other.....	7,007
Skins.....	5,943	Emigrants' effects.....	22,582
Tankage.....	8,650	Hair.....	11,247
Tea.....	2,448	Hides and skins.....	84,571
Turnips.....	12,237	Vegetables.....	30,826
Twine.....	5,730	Whisky.....	107,913
All other articles.....	59,290	Wool.....	9,859
		All other articles.....	15,106
Total.....	330,813	Total.....	335,857
Returned American goods.....	10,761	Returned American goods.....	6,205
Grand total.....	341,574	Grand total.....	342,062
		Total for district.....	1,206,965

The total value of imports into Hamilton in 1908 was \$10,069,107, a decrease from 1907 of \$3,864,502. The value of dutiable goods entered for consumption was \$5,255,137, a decrease of \$3,087,162, and of free goods \$4,813,970, a loss of \$777,340. The total amount of duties collected during the year was \$1,271,813, a decrease of \$616,959 from 1907.

KINGSTON.

By CONSUL HOWARD D. VAN SANT.

On July 1, 1908, the Kingston district was enlarged so as to extend about 150 miles along the St. Lawrence River and Lake Ontario from west of Brockville to beyond Trenton, running north to about half way between Kingston and Ottawa. The district now embraces the former Picton agency of the vacated Belleville consulate, and includes the Trenton and Deseronto agencies, formerly in the Belleville district.

Commercially the past year in Kingston and vicinity was full of promise and possibility of development, yet as a whole the actual progress was not above the average. There is evidence of a greater desire for the development of Canadian resources, and special effort for future development is apparent. In the opening of commercial and other opportunities American capital and enterprise often play an important part. However, Canadian commercial independence is aimed at, and Americans desiring to invest or locate in Canada would do well to take notice of this spirit.

PUBLIC IMPROVEMENTS.

During the past year a proposition made by American capitalists to the city of Kingston to build a \$600,000 hotel, on condition that a \$100,000 guarantee and other tax exemptions and free land grant be made, was met with a Canadian proposal for a less expensive hotel, more suitable to the city's needs, with the same \$100,000 guarantee and less exacting exemptions as to land and taxes. It is likely that

the hotel, if built, will be erected by Canadian capital under local control, unless the American offer mentioned is considerably modified.

The locomotive works here has enlarged its plant by spending \$250,000 and increased its pay roll to contain nearly 800 employees. Orders for locomotives have been received sufficient to run it for two years. The present output is 4 locomotives per month. Much of the machinery used in these works is of American manufacture and the skilled labor is made up of many present and former Americans.

A mining company organized on a considerable scale by American promoters was reorganized under Canadian control. It is proposed to erect a large smelter at Kingston during the coming year. There is a limited demand for American mining machinery in this district.

A large fire in Kingston in December, 1908, destroyed a piano factory employing 60 hands and claiming to turn out over 1,000 pianos annually. A contract for 138 pianos for the holidays was canceled. This disaster, involving a loss of \$110,000, partly covered by insurance, will make a temporary market for pianos in this city and district. As the city proposes to vote a bonus of \$10,000 for the rebuilding of the plant it is likely that the factory will be rebuilt on a larger scale and will be in running order in less than two years.

MARKET FOR UNITED STATES GOODS.

In this district will be found a market for the following American goods: Wood manufactures, mineral oils, iron and steel goods, motors, motor-boat appurtenances and machinery, marine engines, carriages, wagons, automobiles in limited numbers, typewriters, drugs, toilet articles, hardware, machinists' tools, boilers and engines, windmills, wire fencing, concrete and masons' tools, steam road rollers and scrapers, cotton goods and fabrics, millinery, tailor-made clothing, hats, caps, capes, gloves, silk and silk-made goods, ready-made clothing, plows, cultivators, rakes, binders, the farming implements to be sold at prices to compete with American branch factories in Canada; dairy machinery, cream separators, guns, rifles, revolvers, sporting goods of all kinds, musical instruments, toys, staple groceries, canned goods of high grade, American ham, bacon, and lard, crackers and biscuit, high-grade American lager beer, American wines, books and stationery, glassware, silver-plated and electro-plated ware, paints and brushes, printing presses, sewing machines, high-grade pianos, boots and shoes, rubber goods, and all other commodities and manufactured goods generally sold in the northern section of the United States would find a sale of more or less extent along the Canadian border districts. The tariff and cost of delivery, together with the natural preference for home trade, must be taken into account and wherever practicable the goods should be of equal quality and of equal or lower price than Canadian, English, or German articles.

Sales of American goods, notwithstanding the British preferential tariff and a certain degree of adverse commercial sentiment, will increase if the price, quality, usefulness of design and durability of the article offered compare favorably with those of Canadian, English, or German make, and unless there is a more pronounced discrimination than heretofore, the natural conditions of trade, coupled with the present producing power of the United States, will continue to give American goods first place in the border markets.

APPLES AND HAY—CHEESE OUTPUT—GRAIN RECEIPTS.

While the early promise of the apple and hay crop in this district was above the average, the yield was short. Two years of short hay crops are likely to keep the prices unusually high, from \$12 to \$20 per ton. Three years ago, with abundant crops, hay was selling at \$6 to \$9 per ton. Owing to the high price of hay the exportation through this consulate has about ceased for the time.

The cheese output fell off during the year owing largely to the poor hay and fodder crop of the previous year. Some cheese factories had to close for want of milk. For this district the production of cheese amounted to 29,737,292 pounds, with a value of \$3,498,193. The short production caused a rise in price to 11.80 cents per pound on the average, the highest in ten years. The total exports of cheese from the Dominion in 1908 amounted in value to \$18,987,340, as compared with \$20,186,398 in 1907 and \$25,999,034 in 1906, a decrease of \$7,011,694 as compared with 1906.

In Kingston, owing to a light epidemic of smallpox during the year, some 90 cases being treated, the city council has a deficit of over \$10,000 to meet. The present bonded indebtedness of the city is \$1,221,574. The assets are the city properties and public buildings, light plant, waterworks, a sinking fund of \$116,000 and \$10,000 waterworks fund in the bank. The total city assessed valuation for 1908 was \$8,653,625 and the population of the city 19,173. The total grain receipts for the port of Kingston were 14,766,054 bushels, a falling off of 500,000 bushels from the previous year. Over 13,000,000 bushels were transshipped in barges from here to Montreal. The coal receipts from the United States amounted to 37,993 tons.

TRADE WITH THE UNITED STATES.

The Canadian customs statistics are compiled for the country at large and are not separated by ports, except by special request or favor. The consular statistics for the first six months of last year are for the old consular district, while those for the last six months include the enlarged district. From estimates based on the figures for 1906 and reports received from custom-houses and other sources it is thought that the imports amounted in 1908 to over \$2,000,000, of which about three-fourths, or \$1,500,000, are the products or manufactures of the United States. Of these imports a little more than one-half are dutiable and the other free.

The declared exports from Kingston to the United States in 1908 were as follows:

Articles.	Value.	Articles.	Value.
Animals, live.....	\$7,011	Lumber, shingles, etc.....	\$20,864
Bones.....	1,445	Mica.....	2,510
Emigrants' effects.....	23,269	Rubber, scrap.....	18,504
Feedstap.....	32,161	Vessels, repairs.....	3,659
Fertilizers.....	1,427	All other articles.....	88,050
Fish, fresh.....	30,613	Total.....	238,240
Furs, raw and dressed.....	2,737	Returned American goods.....	74,670
Hair.....	1,730		
Iron rivets.....	2,314		
Junk.....	1,946	Grand total.....	312,910

The leading exports from the Deseronto agency to the United States in 1908 consisted of household effects worth \$3,107; laths, \$1,428; and lumber, \$4,843.

TRENTON AGENCY.

By CONSULAR AGENT STEPHEN J. YOUNG.

The chief imports into Trenton in 1908 were coal worth \$9,817; machinery, \$6,977; and woolens, \$2,694. There are many canning factories, and paper and cement mills in this district, the machinery for which was supplied by the United States, and considerable mining and wood-working machinery was furnished besides. In view of the proposed construction of the Trent Canal by a series of dams along the river Trent, which has a fall of over 350 feet in 30 miles, various kinds of machinery similar to that used in the plants at Niagara Falls will be required, and as there will be at least 10 dams there should be a good field for American manufacturers in this line. There should be also a ready sale for cotton goods, as the retail prices here appear higher than in the United States, and the quality of the goods is not so good.

The declared value of the exports from this agency to the United States in 1908 was \$188,598, consisting of the following articles:

Articles.	Value.	Articles.	Value.
Animals: Cattle.....	\$1,510	Wood, and manufactures of—Cont'd.	
Apples.....	3,675	Poles.....	\$8,231
Arsenic.....	13,378	Pulp wood.....	3,357
Bullion, gold and silver.....	51,065	Whisky.....	16,614
Concentrates.....	2,952	All other articles.....	5,546
Hides.....	42,338	Total.....	176,360
Household effects.....	6,507	Returned American goods.....	12,238
Ore, gold.....	3,600	Grand total.....	188,598
Peas.....	4,147		
Tin, scrap.....	192		
Wood, and manufactures of:			
Lumber.....	13,348		

NIAGARA FALLS.

By CONSUL WILLIAM H. H. WEBSTER.

Commercially this district prospered during 1908, several new industries having started up, while others were in course of construction. One of the most prominent was a plant for the manufacture of cyanamid, which has a capacity of 40,000 tons per annum, but will ultimately be increased to 80,000 tons. This is an American concern, with headquarters at Nashville, Tenn. Another new industry put in operation was that for manufacturing corsets with steel stays, a substitute for whalebone. The factory gives employment to 150 hands, and has 300 women in various sections of Canada taking measurements and orders.

Another new project was the completion of the extension of the trolley line from Thorold to Fort Hill, a distance of 14 miles. This line when completed will run from Niagara Falls to Welland.

The Canadian Ethenite Company completed its building at a cost of \$250,000 for the manufacture of carbide, a product used for lighting purposes.

EXPORTS TO THE UNITED STATES.

The declared value of the exports from Niagara Falls to the United States for 1908 was \$1,914,483. The articles and their values were as follows:

Articles.	Value.	Articles.	Value.
Animals:		Seeds	\$1,349
Horses.....	\$6,789	Silicon.....	134,939
Sheep and lambs.....	2,458	Sulphur.....	1,294
Apples.....	5,821	Twine.....	856,196
Bones.....	1,098	Tobacco.....	3,009
Breadstuffs:		Vegetables.....	2,266
Bran.....	8,425	Wood, manufactures of:	
Flour.....	81,053	Lumber.....	17,598
Oat hulls.....	27,085	Staves.....	21,025
Chicle gum.....	203,204	Wood pulp.....	143,840
Fish.....	10,692	All other articles.....	200,163
Graphite.....	6,903		
Hair.....	13,409	Total.....	1,834,002
Hides.....	38,326	Returned American goods.....	80,481
Household effects.....	35,638		
Paper, building.....	7,547	Grand total.....	1,914,483
Rubber, scrap.....	3,875		

ORILLIA.

By CONSUL HARRY P. DILL.

The total trade of the Orillia consular district with the United States for 1908 amounted in value to \$8,528,150, of which \$1,753,488 represented imports and \$6,774,662 exports. The imports showed a decrease of \$491,361 and the exports a decrease of \$1,241,445 from 1907. From South America hides valued at \$1,327,639 were imported, an increase of \$583,543 over 1907. The articles of import from the United States during 1908, with their values, were as follows:

Articles.	Value.	Articles.	Value.
ORILLIA.		MIDLAND.	
Acids, tanners'.....	\$179,577	Agricultural implements.....	\$6,000
Automobiles.....	1,170	Coal.....	\$12,375
Books and stationery.....	1,685	Coke.....	73,500
Brass and copper, manufactures of.....	2,592	Corn.....	112,000
Coal and coke.....	65,832	Ore.....	240,000
Cotton and wool, manufactures of.....	8,022	Steel, structural.....	100,000
Drugs and medicines.....	1,208	Total.....	843,875
Emigrants' effects.....	9,087		
Food products.....	6,520	NORTH BAY.	
Furs.....	4,481	Boots and shoes.....	14,560
Hides.....	45,949	Coal and coke.....	320,900
Iron and steel, manufactures of:		Cotton and wool, manufactures of.....	3,000
Engines.....	7,499	Food products.....	45,000
Hardware, carriage.....	10,858	Iron and steel, manufactures of:	
Machinery.....	11,108	Machinery.....	12,500
Wire.....	1,283	Other.....	74,044
Other.....	15,040	Settlers' effects.....	3,975
Oil, cod.....	17,848	Sewer and water pipe.....	1,250
Paints and oils.....	11,862	Wood, manufactures of.....	1,880
Paper, manufactures of.....	1,606	Other articles.....	6,000
Sporting goods.....	1,234	Total.....	483,119
Wood, manufactures of:		Grand total.....	1,753,488
Lumber.....	13,699		
Other.....	1,910		
All other articles.....	6,459		
Total.....	426,494		

SHIPMENTS TO THE UNITED STATES.

The declared value of the exports to the United States in 1908 from this district, including Orillia and the agencies at Midland, North Bay, and Parry Sound, is shown in the following statement:

Articles.	Value.	Articles.	Value.
ORILLIA.		NORTH BAY.	
Bark, hemlock.....	\$21,328	Animals: Horses.....	\$2,000
Bones.....	406	Arsenic ore.....	1,840
Fertilizers.....	3,507	Bullion.....	4,000
Furs.....	4,288	Furs.....	1,439
Hair, cattle.....	7,849	Household goods.....	8,239
Hides.....	12,500	Lumber.....	589,137
Household goods.....	4,228	Ore.....	3,217,283
Iron and steel, manufactures of:		Paper.....	21,579
Machinery.....	1,138	Pulp.....	83,365
Rails, old.....	4,469	Pyrites.....	60,791
Wood, manufactures of:		All other articles.....	12,349
Laths.....	16,135		
Lumber.....		Total.....	4,012,031
White pine.....	385,088		
Other.....	27,293	PARRY SOUND.	
Pickets.....	5,554	Bark, hemlock.....	37,671
Shingles.....	6,606	Household effects.....	806
All other articles.....	8,299	Oats.....	35,305
		Wood, manufactures of:	
Total.....	508,688	Lath.....	30,151
		Lumber.....	804,257
MIDLAND.		Pickets.....	6,150
Animals: Horses.....	1,196	Other articles.....	1,794
Household effects.....	1,874		
Wood, manufactures of:		Total.....	916,134
Laths.....	17,706		
Lumber.....		Grand total.....	6,774,662
Pine.....	1,283,689		
Spruce.....	7,672		
Other.....	982		
Pickets.....	24,690		
Total.....	1,337,809		

RAILWAY AND MUNICIPAL IMPROVEMENTS.

During the coming season there will be a large amount of money expended in this district, much of it in the immediate vicinity of Orillia. There are two new railroad lines to be built through this place, the Canadian Pacific and the Canadian Northern Ontario. The latter has its line nearly ready for the iron from Udney, 9 miles east. What route out of Orillia is to be taken is not yet known.

The Canadian Pacific will commence work at once on its proposed eastern outlet from Victoria Harbor, on Georgian Bay, through Orillia to Peterborough. This line will be principally for grain from the elevator now being built at Flat Point. Extensive filling and grading are to be done along the lake front at this place. These roads will probably join in building a union station, and it is thought that the railway commissioners will induce the Grand Trunk line to join them.

This municipality has voted to expend \$73,000 in improvements, and it is quite probable that a Carnegie library will be built in the near future, at a cost of \$12,500 or \$15,000.

BUSINESS CONDITIONS AT MIDLAND AND PARRY SOUND.

Midland City is situated on an arm of Georgian Bay. The harbor is second to none on the Great Lakes and has sufficient depth of water to float the largest grain carriers, some of which carry 200,000 bushels and draw 18 to 19 feet.

One of Midland's important industries is an iron smelting plant. This plant has been in constant operation day and night for some years. Much of the ore for smelting is brought from United States ports by freight boats.

There are no wholesale importing houses at Parry Sound, and imports there are mostly purchased by individuals and consist of miscellaneous goods. There is no indication of any great improvement in its trade. The lumber business is in a depressed condition. Sales are slow, though prices are maintained, and manufacturers are hopeful of a better demand from the United States during the coming season.

Nearly all the fish from this section goes to the Buffalo market, there being an unlimited demand there for all kinds and at good prices.

The Canadian Northern Ontario Railway and the Canadian Pacific Railway have completed their roads to Parry Sound and travel has increased rapidly. It is reported that a milling company intends to erect a flouring mill at Depot Harbor at a cost of \$500,000, with a capacity of 5,000 barrels per day. Depot Harbor is the lake terminus of the Canada Atlantic Division of the Grand Trunk Railway, a few miles from Parry Sound.

To secure business here it is absolutely necessary for American manufacturers and dealers to send personal representatives to the cities and larger towns to deal directly with the merchants. A successful mail business, save in some special articles, is impossible.

Consular officers can show circulars and urge possible customers to send a trial order, but they can not look up the financial standing, previous record, or prospects of a dealer. This is the business of the person selling the goods, and the information is to be obtained only in Canada. American goods are found in all stores, but the competition between American and Canadian manufacturers favors the latter.

OTTAWA.

By CONSUL-GENERAL JOHN G. FOSTER.

The lumber industry so largely dominates the commercial and industrial life of this district that the general trade conditions were necessarily affected by the low prices and slow sales of this commodity during 1908. The exports of lumber and deals for the past year to both Europe and the United States have fallen below those of the previous year both in volume and in value. Pine deals at one time declined \$3 to \$4 per thousand feet in price and spruce \$2 per thousand feet. It is unofficially estimated that at the close of the year there was in the Ottawa Valley between 500,000,000 and 600,000,000 feet of pine lumber, though undoubtedly a considerable portion of this had been sold for future shipment. The lumber business is, however,

under strong financial control, and there has been a general disposition to hold for higher prices rather than to sell on the market.

The mica business has suffered considerable depression on account of the reduced production of electrical apparatus in the United States.

The directory of the city of Ottawa indicates an increase of 4,598 in the population over the figures of 1907, and the present population is estimated at 85,332. The increase is in part due to the inclusion of several suburbs. The city has 141 miles of streets, 97 miles of sewers, 15 miles of permanent pavement, and 130 miles of permanent sidewalks. The tax assessment roll shows property to the value of \$44,800,080, while the property exempted from taxation amounts to \$19,467,975. The value of government property, which is not assessed, is placed at \$5,567,500.

NEW CONCRETE DAM.

During the past year a reinforced concrete dam was constructed across the Ottawa River at a cost of about \$250,000. The following details were furnished by the consulting engineer:

The dam is composed of 49 piers and 2 abutments. The piers are each 22 feet high, 39 feet 5 inches long, and have a mean width of 3 feet. The openings between the piers are 22 feet wide in the clear and can be closed by means of stop logs. The dam was paid for by the different power owners and lessees on the river. The several power plants operate under heads of water of from 18 feet to 30 feet. Very few of them will be able to take advantage immediately of the increased head on account of their low head works. The low water flow at this point is 11,000 cubic feet per second. The new dam will have 36-foot head, which, under present low-water conditions, will make 33,000 horsepower available. When the impounding scheme is completed a minimum flow of 28,000 cubic feet per second is expected. This under a 36-foot head will give 84,000 horsepower in twenty-four hours if all power plants are put in efficient condition.

TRADE OF THE PORT.

The imports into Ottawa during 1908 were valued at \$5,852,712, of which \$3,674,313 were dutiable and \$2,178,399 were free goods. In 1907 the dutiable imports amounted in value to \$4,905,495 and the free imports to \$2,648,336.

The declared value of exports from this consular district to the United States in 1908 was \$4,080,653, of which articles worth \$2,909,486 represented the shipments from the port of Ottawa. In this amount the returned goods were valued at \$120,484. The value, by articles, of the exports from Ottawa was as follows:

Articles.	Value.	Articles.	Value.
Animals:		Wood, and manufactures of—Cont'd.	
Lambs.....	\$36,488	Laths.....	\$90,231
Other.....	1,100	Pickets.....	23,761
Emigrants' effects.....	26,332	Pine deals.....	27,517
Fertilizers.....	3,850	Pine planks.....	13,990
Ferrosilicon.....	4,056	Pine, white.....	1,410,121
Graphite.....	3,559	Poles, telegraph, etc.....	7,087
Hides.....	60,290	Pulp wood.....	25,578
Iron slag.....	1,866	Shingles.....	55,088
Mica.....	76,504	Spruce.....	154,643
Paper:		Spruce planks.....	26,205
Printing.....	405,057	Wood pulp.....	124,468
Other.....	9,264	All other articles.....	44,533
Rubber, scrap and old.....	4,828		
Skins.....	79,648	Total.....	2,789,002
Wood, and manufactures of:		Returned American goods.....	120,484
Basswood.....	32,877		
Clapboards.....	40,065	Grand total.....	2,909,486

ARNPRIOR AGENCY.

By CONSULAR AGENT JAMES J. MCBRIDE.

The declared value of exports from the Arnprior agency to the United States during 1908 was \$1,171,167, against \$1,304,984 in 1907. The greatest decline was in corundum ore, etc., the exports of which were valued at \$122,417 in 1907 and \$64,475 in 1908. Shingles and staves showed a loss of \$23,364 and \$26,834, respectively. The item of laths increased by \$19,186.

The articles of export to the United States for 1908 were as follows:

Articles.	Value.	Articles.	Value.
Corundum ore, etc.....	\$64,475	Wood, manufactures of—Continued.	
Furs.....	5,193	Shingles.....	\$24,821
Household effects.....	2,287	Staves.....	5,369
Wood, manufactures of:		Other.....	3,472
Laths.....	33,797	All other articles.....	3,821
Lumber—			
Pine.....	773,225	Total.....	1,170,417
Spruce.....	25,786	Returned American goods.....	750
Other.....	2,680		
Pickets.....	25,491	Grand total.....	1,171,167

LUMBER BUSINESS—AMERICAN GOODS POPULAR.

There was not any marked change in the lumber business in 1908 from the conditions in 1907. The labor supply was fair and wages about the same. The low water caused a reduction of about 15 per cent in the cut as compared with 1907, and the prices were about 10 per cent lower. The indications for the coming season are fair. The demand is good and prices will probably be the same as last year. The effect of the forest fires of last summer may be felt in the Georgian Bay and Cobalt sections.

In considering this region as a market for goods exporters should bear in mind that conditions in general are the same as in the United States. As lumbering is the leading industry it is a good market for lumbering supplies, especially hardware. Large quantities of these supplies are handled by the hardware dealers, but it might be well for exporters to send advertising matter directly to the lumbermen. In this region agricultural implements are not, as a rule, carried by hardware merchants, but are sold by implement dealers, who also handle buggies, wagons, etc. The latter articles are also sold by carriage makers. Plumbing is generally associated with the hardware trade, and furniture and undertaking go together. American goods are popular, and their only handicap is the duty.

OWEN SOUND.

By CONSUL AUGUSTUS G. SEYFERT.

Owen Sound is the largest and most important lake port on the Georgian Bay. The annexation of the village of Brooke has increased its population to 14,000, which is considerably more than is required for the incorporation of a city under the laws of Ontario. An application for a charter to become a city is now pending. The assessed valuation of property of the town is \$5,506,850, upon which \$106,673

taxes were collected in 1908. The total receipts for 1908 were \$223,075 and the total expenditures \$207,960.

The town owns the gas, electric-light, and water plants. The water supply comes from the surrounding hills by gravity, and is abundant even for a much greater population. Both the water and light plants afford considerable revenue to the municipality, though the rates to the consumer are low.

Owen Sound is the terminus for the Canadian Pacific and the Grand Trunk Railway lines of the Georgian Bay. No less than 20 steam vessels, many of them of the largest capacity, make regular trips to the harbor during the season of navigation. In addition, a great number of tramp boats, engaged in the lumber, cement, grain, and other trades, touch here for coaling.

LEADING INDUSTRIES—SHIPPING STATISTICS.

The leading industries of the town are 3 iron foundries, a steel foundry, 1 stove foundry, 2 breweries, a malting house, which is the largest in Canada, 2 shipbuilding plants, furniture factories, 2 tanneries, flour mills, 4 grain elevators, sash, door, and hard-wood floor factories, 6 sawmills, and 4 cement plants which produce over half of all the Portland cement made in the Dominion. During 1908, the sawmills produced 27,655,000 feet of lumber, a decrease of 2,000,000 feet from the previous year.

The grain receipts, in bushels, at the elevators for 1908 were: Wheat, 1,400,000; oats, 2,030,000; barley, 80,000; and corn, 40,000. This shows a decrease of 2,500,000 bushels in the total compared with that of the previous year. The flour and millstuff shipped through this port amounted to 121,196 tons, an increase of 1,166 tons over 1907.

The number of steam vessels employed in the coasting trade of the Dominion which arrived at this port during 1908 was 541, with a total of 364,399 tons, and a total number in crews of 14,728. The number departing was 377, of 257,151 tons and crews of 9,915. The number of vessels trading between the United States and Canada during the year which entered this port was 53, all American, with a tonnage of 27,668, and crews of 667. Of British steamers there were 23, with a tonnage of 25,253, and crews of 656. Thirty steamers and tugs were laid up in the harbor at the close of navigation last fall. This includes the whole fleet of Canadian Pacific Railway steamers, which make regular weekly trips between this port and Fort Williams. The repairs to the vessels in winter quarters in the harbor give employment to a large force of men during the time navigation is closed.

FARM PRODUCTS—GOVERNMENT RECEIPTS—IMPROVEMENTS.

Local firms purchased and shipped during the year 4,148 live hogs, at an average price of \$11.56 each. This was 2,543 hogs less than the previous year, and a decrease in value of \$34,252. The value of butter shipped was \$500,000; eggs, \$150,000; potatoes, \$25,000; fruit, \$75,000; vegetables, \$20,000; poultry, \$100,000. The imports by local firms were 30 cars of oranges, valued at \$36,000; 12 cars of lemons, valued at \$13,000; and 45 cars of bananas, valued at \$19,000.

The business transacted at the post-office shows that \$60,475 worth

of money orders were sold, and \$108,900 worth of postal notes. The sale of stamps amounted to \$21,469. The local customs receipts for the port of entry were \$43,625. This was \$19,041 less than the receipts of the previous year.

During the past year the Dominion government erected here a handsome new post-office building at a cost of \$60,000. The post-office, custom-house, and inland-revenue office will all be located in it. The town constructed a concrete bridge, replacing a wooden one over the river, at a cost of \$30,000. Over 100 new houses were built during the year, many of them fine residences. The indications are that fully as many more will be erected during the present year.

Lack of direct railroad communication between Owen Sound and Meaford is a great disadvantage to both places. The distance is 22 miles, and for years an effort has been made to build this link and connect the two towns, at the same time getting a more direct route eastward. The Owen Sound and Meaford Railway Company has been incorporated with a view to building this road. The Ontario legislature is asked to guarantee the bonds, and it now appears as though this important line, which will become a part of the Grand Trunk system, would be built the coming summer. The road as surveyed will follow the shore of the Georgian Bay, thus avoiding the heavy grades necessary in crossing the mountains by a direct route.

The proposed wireless telegraph system to be put in operation for the benefit of navigation on the Great Lakes will have a station at Owen Sound by the time the season opens.

TRADE WITH THE UNITED STATES.

The declared value of the exports to the United States from Owen Sound in 1908 was \$269,854, exclusive of returned goods amounting to \$44,210. The articles and their values were as follows:

Articles.	Value.	Articles.	Value.
Animals: Lambs.....	\$4,310	Wood, manufactures of:	
Carbons.....	2,785	Laths.....	\$1,087
Cement.....	282	Lumber.....	207,511
Copper, scrap.....	500	Telegraph poles.....	2,634
Fish, fresh.....	28,809	Wool.....	3,476
Hair, hog.....	889	All other articles.....	334
Household goods.....	4,267		
Oats.....	6,333	Total.....	269,854
Rubber, scrap.....	3,534	Returned American goods.....	44,210
Seeds:			
Clover.....	1,189	Grand total.....	314,064
Sugar beet.....	1,944		

The returned American goods consisted of the machinery of a beet-sugar factory at Wiarton. The plant was dismantled and the machinery, which was all American made, was returned. The sugar-beet seed shipped to the United States was of German origin and imported to Canada for the beet growers in the locality of the Wiarton factory which was abandoned.

The imports from the United States through this port consist largely of coal, cotton goods, hardware, shoes, drugs, steel, machinery, oranges, and tobacco.

PRESCOTT.

By CONSUL MARTIN R. SACKETT.

The declared exports from Prescott to the United States during 1908 were valued at \$141,049, and consisted of the following articles:

Articles.	Value.	Articles.	Value.
Animals:		Wood, manufactures of:	
Cattle.....	\$200	Lumber.....	\$22,955
Horses.....	4,887	Shingles.....	1,878
Lambs.....	2,398	All other articles.....	1,113
Furs, raw.....	13,566	Total.....	131,144
Hides and skins.....	13,705	Returned American goods.....	9,905
Household effects.....	8,079	Grand total.....	141,049
Machinery.....	530		
Mercury, fulminate of.....	61,483		
Oat hulls.....	350		

SARNIA.

By CONSUL NEAL McMILLAN.

The value of the imports into this district in 1908 was \$8,864,726. The principal imports from the United States consisted of crude oil, coal, corn, hardware, machinery, tubing, furniture, etc. The leading articles of export to the United States were live animals, hides and skins, beans, chicle, sugar beets, flax, wool, and lumber.

The exports, including returned goods, declared to the United States in 1908 were valued at \$1,103,583, and consisted of the following articles:

Articles.	Value.	Articles.	Value.
Animals:		Hides and skins.....	\$22,328
Cattle for exhibition.....	\$2,650	Rags.....	2,398
Horses for exhibition.....	12,365	Rubber, old.....	2,235
Horses.....	2,798	Seeds.....	4,471
Sheep.....	11,240	Tea.....	13,287
Other.....	1,280	Tobacco.....	6,892
Beans.....	58,715	Tow.....	2,795
Beets, sugar.....	31,707	Wood, and manufactures of:	
Beet pulp, dried.....	7,344	Laths.....	31,578
Boat.....	16,462	Logs.....	8,129
Breadstuffs:		Lumber.....	478,142
Barley.....	1,854	Pickets.....	3,719
Bran.....	4,534	Planks.....	3,682
Flour.....	16,427	Staves.....	3,496
Oat hulls.....	7,549	Wool.....	11,438
Chicle.....	33,950	All other articles.....	82,596
Emigrants' effects.....	49,122	Total.....	972,107
Enamel ware.....	3,891	Returned American goods.....	131,476
Flax.....	28,535	Grand total.....	1,103,583
Fertilizers.....	2,670		
Fish.....	1,830		

Among the articles of export returned to the United States were: Live stock valued at \$60,000; automobiles, \$15,600; coal, \$6,445; balloon, \$5,000; and machinery, \$9,240.

SAULT STE. MARIE.

By CONSUL GEORGE W. SHOTTS.

The commercial and industrial conditions of this district in 1908 were only a little less favorable than the normal and were little affected by the general financial depression throughout the country, the principal effect of the depression being to temporarily check the

development of unproducing or nonshipping mines, and to curtail the harvest of logs for sawing during the coming season.

Most of the various mills of this district were operated continuously during the year, but with an output somewhat less than that of 1907, the only exception being the sawmills, as is shown by the following: Steel rail mills, 1907, 178,624 tons; 1908, 142,958 tons; iron furnaces, 1907, 135,852 tons; 1908, 129,442 tons; sawmills, 1907, 225,000,000 feet; 1908, 241,000,000 feet; and pulp mills, 1907, 54,043 tons; 1908, 52,063 tons.

There has been a general increase in the cut of the sawmills in this district, as well as east and north of the district, up to this year, during which the industry will probably reach its highest point. Lumbermen say that the cut of pine lumber for 1910 will be at least 25 per cent short of the cut for 1908, and is likely to decrease rapidly from year to year, and that in 10 years the matured growth of pine of this district will be pretty well cut out. Most of the large bodies of pine have been cut, and those remaining are generally in the hands of wealthy firms who will cut sparingly; besides, they are generally a long way up the rivers and more expensive to market. The conclusion is that the mills will soon be idle and practically useless, as they can not get enough hard wood to keep half of them running. While the products of the forest are likely to decline, it is safe to say that the products of the mines will increase for years to come.

There has been an era of great prosperity in this consular district within the last 10 years; during that time there were built at various points in the district 1 steel rail mill, 4 iron furnaces, an iron foundry, machine shops and car shops, 2 smelters for treating the finer ores, 3 ore concentrating plants, 4 ten-stamp mills for gold mines, 1 brewery, 5 large sawmills, 1 veneer mill, 1 pulp mill, 1 charcoal plant, and several planing and shingle mills.

SALES TO THE UNITED STATES.

The exports to the United States in 1908 from the Sault Ste. Marie consular district, including the Sudbury agency, amounted to \$13,166,864, of which \$5,878,176 represented the value of articles from Sault Ste. Marie and \$7,288,688 the value of articles from Sudbury. The value of the articles is shown in the following table:

Articles.	Value.	Articles.	Value.
SAULT STE. MARIE.		SUDBURY.	
Charcoal.....	\$23,859	Arsenic.....	\$18,981
Emigrants' effects.....	13,900	Emigrants' effects.....	2,476
Fish.....	86,432	Minerals:	
Minerals:		Iron ore.....	9,403
Iron ore.....	3,030	Nickel matte.....	2,390,483
Other.....	16,577	Silver speiss.....	1,029,463
Wood, and manufactures of:		Other.....	3,185
Laths, pickets, etc.....	280,378	Silver bullion.....	3,831,199
Logs.....	93,685	All other articles.....	3,498
Lumber.....	4,333,001	Total.....	7,288,688
Pulp wood.....	178,540	Grand total.....	13,166,864
Wood pulp.....	751,619		
Other.....	81,854		
All other articles.....	15,301		
Total.....	5,878,176		

All the arsenic, nickel matte, silver bullion, and speiss was shipped through the Sudbury agency, and all the products of the forest were exported through this consulate.

IMPORTS INTO SUDBURY.

The imports into Sudbury during 1908 were valued at \$510,166, and consisted of the following articles:

Articles.	Value.	Articles.	Value.
Coal.....	\$89,427	Machinery.....	\$305,271
Coke.....	41,623	Mining fuse.....	1,580
Electrical supplies.....	10,941	Shoes, clothing, etc.....	1,974
Fire clay, including bricks.....	14,648	Stationery, etc.....	1,864
Hay, baled.....	2,107	Steel plates.....	8,176
Household effects.....	6,758	All other articles.....	12,876
Hardware.....	5,652		
Laboratory supplies.....	5,212	Total.....	\$510,166
Macaroni.....	2,057		

All the coal, coke, fire clay, electrical supplies, shoes, etc., and stationery came from the United States. It also supplied 90 per cent of the hardware and machinery. Great Britain furnished 90 per cent of the steel plates and the United States the remainder.

TORONTO.

By CONSUL ROBERT S. CHILTON, Jr.

This consular district, as recently enlarged, includes, besides the city of Toronto, other important towns and business centers, such as Peterborough, Port Hope, Cobourg, Guelph, Oshawa, Berlin, etc. The industries of Toronto cover a wide range of manufactures, including machinery, wood products, leather, clothing, agricultural implements, musical instruments, and distilled and malt liquors. There are also many large wholesale and retail establishments. Toronto bank clearings in 1908 amounted to \$1,166,902,436, against \$1,228,905,517 in the previous year, and the customs collections for 1908 were \$9,209,390, against \$11,611,267 for 1907, a decrease of \$2,401,877. The building permits for 1908 numbered 3,908 for buildings to the value of \$12,433,467, and the total assessed valuation of property was \$254,894,259. Five hundred electric street cars ran over 107 miles of track and carried 88,353,846 passengers during 1908. The population of the city is about 300,000. The outlying towns and cities above mentioned also contain important industries and are busy commercial points.

TRADE CONDITIONS—SALES TO THE UNITED STATES.

The past year's trade has shown a tendency to recover from the financial depression, but on the whole the volume of business, as shown by customs receipts and bank clearings, is somewhat less than in the preceding year. In spite of the effect of the general slackening of business the city shows continued signs of growth and expansion, and the development of large business concerns and improvements in their establishments and stock are apparent on all sides.

Nearly all exports from Toronto are credited to the frontier port at which they leave Canada, and it is not possible to give figures showing the total exports, but it can be said generally that there is a large export trade from this district to the United States, Europe, and elsewhere, though the principal business of the city is in Ontario and other

parts of Canada. The exports to the United States, as shown by invoices certified at this office, amounted to \$3,437,470, and those from the consular agency at Peterborough to \$722,468, a total of \$4,159,938. The figures for this office show a decrease of \$169,722 for the year, though the total number of invoices certified was 3,286, against 3,183 in 1907, and the office receipts were in excess of those of the previous year.

The following are some of the leading articles exported to the United States: Animals for breeding, barley, bones and tankage (fertilizer), books and printed matter, cattle, chemicals, emigrants' household effects, fur skins, chicle gum, hair, hides, horses, lumber, oat hulls, paper stock, pease, rubber scrap, seeds, sheep and lambs, sheepskins, tea, whisky, and wool. The exports are largely natural or food products and include very little in the way of manufactured goods.

CLASSIFICATION OF EXPORTS.

Full statements of exports to the United States for the year from Toronto and Peterborough, with declared values, are shown in the following table:

Articles.	Value.	Articles.	Value.
TORONTO.		TORONTO—continued.	
Animals:		Tea.	\$381,756
Cattle and calves.	\$43,641	Tin, plg.	7,225
For breeding purposes.	25,121	Tobacco.	25,963
Horses.	17,020	Whisky.	10,797
Horses for exhibition.	17,275	Wool.	54,303
Sheep and lambs.	10,239	All other articles.	46,274
Apples.	8,969		
Bones, etc.	106,785	Total.	2,700,312
Books, etc.	23,767	Returned exhibition goods.	254,954
Breadstuffs:		Bullion: Gold and silver.	7,911
Barley.	21,708	Returned American goods.	474,293
Buckwheat.	14,225		
Oats and oat hulls.	35,646	Grand total.	3,437,470
Chemicals and drugs:			
Ammonia liquor.	8,128	PETERBOROUGH.	
Glycerin, crude.	13,456	Binder twine.	219,077
Kauri gum.	5,068	Breadstuffs:	
Other.	906	Bran.	2,250
Coffee.	6,374	Buckwheat.	1,624
Emigrants' effects.	170,297	Oats.	64,608
Evaporated slop.	4,175	Oat hulls.	24,616
Fish, frozen.	5,974	Feed:	
Furs and fur skins.	41,451	Molac.	2,695
Ghee stock.	6,648	Schumacher.	110,365
Grease.	3,207	Furs, raw.	1,742
Gum, chicle, crude.	508,982	Hides and skins.	9,296
Hair, animal.	31,795	Household effects.	12,930
Hides and skins.	476,653	Peas.	12,587
Jewelers' sweepings.	15,279	Slaughterhouse offal.	5,000
Lanterns.	3,601	Wood, manufactures of:	
Leather, scrap.	12,111	Hub blocks.	5,469
Lumber.	53,371	Lumber.	177,693
Machinery.	13,586	Pickets.	11,841
Metal, scrap.	5,204	Shingles.	22,429
Metallic ceiling.	1,950	Staves and heading.	2,296
Oil, olive and wood.	5,219	Telegraph poles.	1,421
Paintings for exhibition.	2,621	All other articles.	5,343
Paper stock:			
Paper, old.	26,218	Total.	693,292
Rags, cotton.	36,899	Returned American goods.	29,176
Rope, old.	1,905		
Peas.	35,156	Grand total.	722,468
Pearls.	1,132		
Robber, crude and scrap.	38,607	Grand total for the district.	4,159,938
Sausage casings.	2,328		
Seeds.	249,349		

VALUE AND CHARACTER OF IMPORTS.

The total imports into Toronto from all countries for the fiscal year ended March 31, 1908, amounted in value to \$62,638,763, of which \$41,766,310 worth were dutiable goods and \$20,872,453 free. The figures as published do not show the origin of the goods imported, but it can be assumed from other sources of information that at least one-half, or approximately \$31,000,000, was from the United States.

The leading articles imported were books and periodicals, flour and meal, brooms and brushes, buttons, cash registers, clocks and parts, coal, cocoa paste, manufactures of cotton, curtains, drugs and chemicals, earthenware and china, electric apparatus, fancy goods, manufactures of flax, hemp and jute, fruits and nuts, furniture, furs and fur goods, glassware, gloves, rubber goods, hats, caps and bonnets, iron and steel manufactures, jewelry, leather goods, metal goods, musical instruments, oils, oilcloths, cork, matting and linoleum, optical goods, paper goods, ribbons, silk goods, spirits, tobacco and pipes, vegetables, watches, wool and woollen goods, precious stones, lumber, fur skins, hides, corn, etc.

The articles imported into Toronto during the fiscal year ended March 31, 1908, and their values, were as follows:

Articles.	Value.	Articles.	Value.
Ale, beer, and porter.....	\$40,276	Gold and silver, and manufactures of.....	\$136,335
Animals.....	65,385	Gutta-percha, etc., and manufactures of.....	1,055,760
Baskets.....	26,096	Hats, caps, and bonnets.....	917,572
Billiard tables.....	43,782	Hides and skins.....	916,240
Books, newspapers, etc.....	1,478,432	Hops.....	57,171
Boot, shoe, and stay laces.....	56,338	Ink.....	43,614
Boots and shoes, except rubber and leather.....	18,907	Iron and steel, and manufactures of.....	6,671,777
Brass, and manufactures of.....	386,109	Jewelry.....	437,112
Breadstuffs:		Lead, and manufactures of.....	57,862
Biscuits, sago, etc.....	133,410	Leather, and manufactures of.....	766,969
Corn.....	308,825	Metals, manufactures of, n. e. s.....	563,828
Flour, meal, etc.....	222,914	Musical instruments.....	350,200
Brooms and brushes.....	132,361	Oil, all kinds.....	461,513
Buttons.....	126,778	Oilcloths, etc.....	278,780
Carriages, including railway cars, etc.....	155,341	Packages.....	446,907
Cash registers.....	157,397	Paints and colors.....	178,729
Celluloid, manufactures of.....	88,589	Paper, and manufactures of.....	1,281,828
Clocks, and parts of.....	119,403	Pocket-books, etc.....	113,533
Coal.....	3,470,876	Post-office parcels.....	90,501
Coke.....	91,854	Precious stones.....	720,021
Cocoanuts, chocolate paste, etc.....	147,659	Provisions:	
Coffee.....	188,057	Butter, cheese, and lard.....	141,378
Collars.....	37,720	Meats.....	96,820
Combs, dress and toilet.....	99,113	Ribbons.....	697,590
Copper, and manufactures of.....	407,948	Scientific instruments.....	235,396
Cordage.....	43,445	Seeds.....	342,219
Corks, corkwood, etc.....	138,391	Settlers' effects.....	399,927
Corsets, clasps, etc.....	57,151	Silk, and manufactures of.....	2,250,820
Cotton goods.....	5,090,759	Spirits and wines.....	299,290
Curtains.....	341,048	Sugar, candy, etc.....	211,978
Drugs, chemicals, etc.....	2,229,489	Tea.....	1,054,708
Earthen and china ware.....	591,789	Tin, manufactures of.....	726,526
Elastic.....	63,558	Tobacco, and manufactures of.....	331,799
Electric apparatus and supplies.....	443,165	Tobacco pipes.....	183,781
Embroideries.....	51,656	Vegetables.....	243,797
Express parcels.....	137,346	Watches, and parts thereof.....	296,315
Fancy goods.....	1,443,029	Wood, and manufactures of.....	1,130,042
Fish.....	151,285	Wool, and manufactures of.....	6,150,898
Flax, hemp, jute, and manufactures of.....	1,259,095	All other articles.....	5,283,996
Fruits and nuts.....	1,762,001	Total.....	59,891,064
Furniture.....	235,175	Bullion and coin.....	2,747,699
Furs and fur skins.....	1,123,559	Grand total.....	62,638,763
Glass and glassware.....	705,093		
Gloves and mitts.....	420,814		

NAVIGATION—OPPORTUNITIES FOR UNITED STATES EXPORTERS.

The number of vessels arriving at this port during 1908 was 3,330, or 331 less than in 1907. Many of these vessels were engaged in passenger traffic across the lake, others were engaged in through passenger and freight traffic, and others, both steamers and sailing vessels, were engaged in coal traffic from American ports.

American goods continue to hold a prominent place in this market, in spite of a sentimental preference for Canadian goods and both a sentimental and tariff preference enjoyed by British goods. American manufacturers seem to be alive to the opportunities afforded by this market, and it seems almost superfluous to attempt any suggestions as to means of extending trade. Toronto is only a few hours by rail from large American business centers, and the wide-awake business man knows conditions here about as well as in the United States, and realizes that success in this market is won by the same energy and skill as that required in ordinary trade, plus the necessity for studying Canadian freight and tariff rates and local tastes and sentiment.

The industrial exhibition held here every fall is the principal event of its kind in Canada, if not on the continent, and offers a fine opportunity for the study of Canadian products and manufactures and tastes and for the display of American goods.

WINDSOR.

By CONSUL HARRY A. CONANT.

The business and industrial conditions in this consular district were not quite so favorable during 1908 as they were in the previous year, which was one of unprecedented prosperity. Mercantile and financial transactions were not so large or so profitable and the manufacturing and agricultural interests were not so prosperous, but some of the other interests made a more favorable showing. There was a marked increase in the number and value of buildings erected during the year and the increase in population was greater than in 1907. The depression in the United States was felt here, but not nearly to the same extent as across the border. Canada's banking system demonstrated its ability to meet the conditions in a way to merit the confidence of all the people. There was absolutely no panic or financial disturbance in this district.

The bonus offered by the city of Windsor to induce desirable business enterprises to locate here is attracting considerable attention from manufacturers in the United States, who find the location of branch factories in Canada desirable, helping to secure a Canadian market for their goods. A large pearl-button factory from the United States is one among those locating here during the year.

BID FOR FACTORIES—BUILDING PERMITS.

The city council of London, Ontario, has passed a motion that the legislature be petitioned for permission to submit a debenture by-law calling for \$100,000 to be used in purchasing sites to be given free to new industries.

Statistics prepared by the city engineer on the number of building permits issued from his office indicate that 1908 was a year of unusually healthy growth for Windsor. The total value of buildings for which permits were issued is given as \$298,000. Previous to last year the high-water mark was reached in 1906, when building values amounted to \$211,000. In 1907 there was a falling off, and the building values for 1908 are more than double those of the preceding year.

The large increase is partly accounted for by the erection of one or two valuable business blocks in the downtown section. That there was a general boom in building is shown by the number of permits issued. The entire number was 126, as compared with 78 in 1907 and 90 in 1906.

BUSINESS ACTIVITY OF WALKERVILLE, SANDWICH, AND CHATHAM.

Walkerville, which adjoins Windsor on the east, is an exceptionally well-built and well-governed place. The public improvements are modern and of the best. The tax rate is 11 mills on \$1 with an assessment of approximately 60 per cent of the actual value. These advantages, with its excellent shipping facilities, which consist of a regular daily boat service with Fort William and Port Arthur; a regular and frequent freight and passenger ferry service to Detroit; the Grand Trunk, Wabash, and Pere Marquette Railways with stations in the town; and the easy connection with the Canadian Pacific and Michigan Central railways, make it an attractive location for manufacturers.

The town of Sandwich, adjoining Windsor on the south, is the capital of Essex County. The county buildings are located there and the Canadian branch of a Pittsburg coal company maintains at that place and at Amherstburg, 15 miles farther down the Detroit River, large depots from which many of the steamers plying in these waters are supplied with fuel.

Chatham, in Kent County, is a thriving and modern city of about 14,000 inhabitants, with waterworks, electric light, paved streets, and good schools. It is situated at the head of navigation of the River Thames. It has a triweekly steamboat service to Detroit and Windsor, and is located on 5 of the great railway systems, besides having an electric line to Wallaceburg. It also enjoys the advantage of an unlimited supply of natural gas, which is furnished at 10 cents per 1,000 feet for manufacturing purposes. The principal industries of Chatham are: Two flour mills, with a total capacity of 1,400 barrels per day and a good export trade; 3 carriage factories, the largest of which turns out about 15,000 jobs per year and exports to all parts of the world; 1 spring and axle plant with no export business; 1 carriage-wheel plant, with a capacity of 40,000 sets per year and a good export trade; 2 machine shops and iron works, manufacturing gasoline engines and gasoline launches; 1 machine shop and iron works, manufacturing thrashing-machine engines, stave jointers, waterworks filters, etc.; 1 fanning mill and incubator factory, manufacturing grain-cleaning machinery for farmers, incubators, farm scales, and fireless cookers, and exporting to all parts of the world; 1 wagon factory, with a capacity of 7,000 jobs per year, no export trade; 1 brass works, manufacturing a full line

of plumbers' supplies; 4 planing mills, manufacturing the regular line of doors and sashes, in addition to show cases, silent salesmen, and interior finish; and 1 stave and heading factory.

MINERAL DEPOSITS—FRESH-WATER FISHERIES.

Among the valuable natural products of this district are gas, petroleum, and salt. The total production of crude oil in Essex and Kent counties during 1908 was 243,427 barrels. Almost the whole of this amount was purchased by the Imperial Oil Company (Limited.) The amount of the output of the Canadian Salt Company in its operations in the vicinity of Windsor during 1908 was 43,935 tons, valued at \$394,000, the company employing on an average 97 hands, who received \$54,400 in wages.

What is pronounced a large and most valuable deposit of silica, out of which glass is manufactured, has been discovered near Amherstburg and when exploited it is expected to provide a big commercial boom for that town. To promote the industry, a company has been formed with a provincial charter. The company will proceed to exploit the field and expects to establish a large industry.

As a result of the discovery, negotiations are under way for the establishment of a large glass factory in Essex County by a separate company. Leamington will be chosen as the location, for several reasons. Natural gas can be used in the manufacture there, and shipping facilities from Amherstburg to Leamington are good.

The fishing interests of this district are probably as important as that of any located on the fresh waters of the Dominion, and commercial fishing is one of the prominent industries. Much attention is given by the government to the gathering of spawn and the hatching of the fry. A large hatchery is located at Sandwich. Under the supervision of the fishery inspector for eastern Ontario over 40,000,000 whitefish and trout spawn were secured in 1908. This is the largest number ever obtained, and filled the capacity of the hatchery. Seven seines were at work and of the fish caught, not over 100 were destroyed. The fish were caught at Telegraph Island station, near Deseronto, and at Point Ann station, and the fry will be placed in the various lakes throughout the Province.

The year 1908 proved a most successful one for the fishermen of the district. The catch was estimated to be one-third larger than that of the previous year, and good prices were maintained during the whole season.

DETROIT RIVER IMPROVEMENT.

The most important work done during the year in this district is that connected with deepening the channel of the Detroit River at Lime Kiln Crossing, in the vicinity of Amherstburg. While this work is paid for by the United States Government, the field of operation is largely in this district.

The work performed during 1908 consisted in the removal of material from the river bed for the purpose of permitting an increased draft for vessels. About 3,800,000 cubic yards of material were excavated, of which amount about 10 per cent was limestone bed-rock, for the removal of which the use of explosives was necessary.

The amount expended was about \$1,500,000, of which \$480,000 was for labor, furnished either by the contractors or directly by the United States. A large part of this money was also expended for fuel and supplies and for repairs by the contractors. Of this total outlay, about \$46,000 was expended for salaries of United States employees in connection with the superintendence and inspection of the work.

The plant employed consisted of 17 dredges, 9 drill boats, 21 tugs, 5 derrick scows, and 5 launches. The maximum number of men employed was about 860, of which about 20 per cent were Canadians living in Amherstburg. The remaining 80 per cent were citizens of the United States, and were subsisted temporarily either aboard dredges or at boarding houses in Amherstburg. About 20 per cent of the employees were inspectors of dredging, captains of tugs, dredge runners, and drill foremen, with pay ranging from \$100 to \$150 per month; about 50 per cent were firemen, drill men, etc., who received from \$60 to \$100, and the remaining 30 per cent were deck hands and laborers, receiving from \$45 to \$60.

During 1908 work under the existing contracts for improving the channel now in use was completed. Work on what is known as the Livingstone Channel was in progress during the year. This channel, which will cost about \$6,500,000, extends from Ballards Reef to deep water in Lake Erie, a distance of about 13 miles. About 2 miles at the Lake Erie end are completed, and 25 per cent of the entire work is done. The commerce passing through the Detroit River during 1908 was estimated at 50,000,000 tons.

AGRICULTURAL INTERESTS.

This is one of the most fertile agricultural districts in Canada. The soil is varied, but very productive, and adapted to the successful raising of all crops cultivated in this latitude. Great attention is paid to the breeding of live stock and poultry and also to dairy interests. It is not possible to give the exact value of the agricultural products of the territory covered by this consulate, but there were in 1908 1,113,374 milch cows in Ontario, as compared with 1,152,071 in 1907, a falling off of nearly 40,000. The number of other cattle decreased from 1,744,165 to 1,711,485 in the same period.

The following table shows the acreage planted in cereals in 1908 in Ontario and also the yield in bushels in 1907 and 1908, respectively.

Cereal.	Area planted, 1908.	Yield.	
		1907.	1908.
	<i>Acres.</i>	<i>Bushels.</i>	<i>Bushels.</i>
Barley.....	734,029	21,718,332	20,888,569
Oats.....	2,774,259	83,524,301	96,626,419
Rye.....	87,906	1,039,021	1,453,616
Wheat, fall.....	670,642	15,545,491	16,430,476
Wheat, spring.....	142,124	2,473,661	2,197,716

SMALL TOBACCO CROP—SUGAR BEETS AND ONIONS.

In this district tobacco is an important crop, but that of 1908 was the smallest for several years. There were under cultivation about 800 acres, yielding about 1,250 pounds per acre, for which the growers

received from 10 to 15 cents per pound. The soil and climate are admirably adapted to the successful growth of leaf tobacco, and the smallness of the crop in 1908 is due to overproduction in previous years. The cost of producing tobacco is computed to be about \$50 an acre. The varieties grown are the Burley, Virginia, Zimmer, and Connecticut.

The acreage planted in sugar beets is increasing each year, as the farmers find it a very profitable crop, about 2,200 acres being planted in this district in 1908. Most of these beets are used by sugar factories in Michigan. American capitalists are talking of building a sugar factory at or near Chatham.

It has been discovered recently that drained marsh lands are particularly adapted to the cultivation of onions, and many of the owners of these lands are turning their attention in this direction.

The marsh lands in the southern part of Essex County are becoming famous as producers of large crops of onions. It has been frequently stated that these marsh-land onions are equal to the famous Bermudas.

Much of the acreage is within easy reach of Detroit and is devoted to the cultivation of garden truck, small fruits, and poultry. With such an unlimited market as is afforded by a large city, the raising of these products proves most profitable. The four large canning factories of this district also contribute toward a good market for fruits and vegetables.

CONVENTION OF CORN GROWERS.

The corn growers of Canada held their convention at Essex, in this county, for the purpose of discussing corn growing in the Dominion, and exhibiting in competition and for prizes samples of seed corn. This exhibit proved to be the largest ever shown in Canada and comprised 295 entries. The convention was in all respects very successful, and the attendance of farmers very large.

The counties of Essex and Kent furnished over one-half of the total corn crop of Ontario in 1908. The output of Kent, according to the report of the department of agriculture, netted \$1,439,000, while that of Essex reached \$1,672,000. The total receipts from corn for the Province were \$6,220,000. In the counties of Essex and Kent there are 161,000 acres in this cereal alone.

TRADE WITH THE UNITED STATES.

The total imports from the United States through the port of Windsor in 1908 amounted to \$4,331,528, against \$4,855,193 in 1907. The articles for 1908 were as follows:

Articles.	Value.	Articles.	Value.
Animals, live.....	\$112,151	Glass and glassware.....	\$15,292
Books and stationery.....	24,980	Iron and steel, manufactures of:	
Breadstuffs.....	894,712	Implements and tools.....	57,839
Cars, carriages, and other vehicles:		Iron, and manufactures of.....	526,071
Carriages, etc.....	28,590	Machines and machinery.....	148,102
Cars, railway.....	400,000	Lumber, and manufactures of.....	50,949
Cement and plaster.....	30,757	Oils and paints.....	36,333
Coal and coal dust.....	804,644	Paper, and manufactures of.....	29,777
Cotton, and manufactures of.....	18,360	All other articles.....	\$1,027,300
Drugs, chemicals, etc.....	68,059		
Fruits.....	59,612	Total.....	4,331,528

^a Figures furnished by the consul.

The total declared value of exports to the United States through the port of Windsor during 1908 was \$2,937,186, of which \$1,148,077 represented returned American goods. The chief articles of returned goods were old dredges and scows, valued at \$689,950. The principal articles of export in 1908, with their values, were as follows:

Articles.	Value.	Articles.	Value.
Animals:		Iron and steel articles	\$13,407
Cattle for breeding	\$3,233	Rags	1,392
Horses	10,427	Rope	3,503
Horses for breeding	5,723	Rubber, scrap	9,545
Horses for exhibition	9,155	Seeds	11,674
Sheep for breeding	1,160	Tes	5,757
Automobiles	7,550	Tobacco	21,592
Beans	75,694	Whisky	870,489
Beets, sugar	42,489	Wood, and manufactures of:	
Bones	5,564	Logs	2,827
Breadstuffs:		Lumber	10,734
Bran	6,574	Pulp wood	6,719
Oats	12,239	Staves	4,821
Oat hulls	1,973	Ties	10,240
Chicle	423,483	Timber	2,360
Coffee	1,892	All other articles	23,827
Enameled ware	3,284	Total	1,789,109
Fish	10,020	Returned American goods	1,148,077
Flax	19,197		
Hides and skins	58,523	Grand total	2,937,186
Household effects	92,062		

PRINCE EDWARD ISLAND.

CHARLOTTETOWN.

By CONSUL FRANKLIN D. HALE.

The year 1908 was a prosperous one for the farmers of Prince Edward Island; and since farming is the leading industry, the one in which a very large part of the people is engaged, it was a year during which general conditions were favorable to the welfare of all. Climatic conditions, with few exceptions, favored the principal crops grown, and bountiful harvests prevailed.

The total value of the leading crops grown in Canada, such as potatoes, turnips and other roots, hay, fodder, corn, and sugar beets, was \$186,591,816, and Prince Edward Island is credited with 3.5 per cent of this amount, which, considering the extent of its territory and population, is a larger proportion than that of any other province of the Dominion.

The quantities of the principal crops grown were as follows:

Potatoes, 7,326,500 bushels; turnips and other roots, 3,710,100 bushels; oats, 6,000,000 bushels; barley, 150,000 bushels; buckwheat, 130,000 bushels; mixed grains, 630,000 bushels; and hay and clover, 417,375 tons. The potato crop as well as the hay crop was unusually large and of excellent quality.

The average price of potatoes was 20 to 25 cents, and more than 200,000 bushels were exported, a number of shiploads going to American markets. The average price of turnips and other roots was 15 to 18 cents, many being shipped to the other maritime provinces and Newfoundland. Hay commanded about \$9 per ton.

These prices seem low, but this is the result of local conditions. Prince Edward Island is cut off from the mainland, its products are

subject to high transportation rates, and farmers sell in the fall on a glutted market instead of holding till spring when their produce would command a higher price, there being no safe winter transportation. Owing to weather conditions the potatoes raised in 1908 contained more starch than usual, and a greater amount was used in manufactures than for a number of years. The bulk of the surplus produce usually finds ready sale in the near-by provinces.

IMPROVEMENT IN RAISING OF LIVE STOCK—DAIRY PRODUCTS.

Pasturage was most excellent and the products of the dairy were of excellent quality, while beef cattle were raised to supply the local needs and to meet the demands made by Newfoundland and New Brunswick. Good prices prevailed. Last year butchers were obliged to import the choicer grades of beef cattle from the Province of Ontario, but this year such grades were raised in sufficient quantities at home.

The sheep industry shows improvement over late years. The ruling price for wool was low, but the Boston demand for lambs has made this industry profitable. More attention is being paid to the introduction of pure-bred sheep, the government bringing here for sale at auction a number of breeding sheep of pure blood. Sales last year were made at Summerside, Souris, and Charlottetown. Greatly increased attention is also being given to the breeding of pure-bred cattle, horses, and fowls. Thirty young Clydesdale mares were brought from Scotland late in the fall and sold at Charlottetown and Summerside, at prices ranging from \$225 to \$350 each.

The Dominion government, as well as the provincial government, is bending every energy to aid the farmer by improvement in railroad facilities, as a means for marketing of his products; by the grading of seed and produce; and by disseminating information in many ways. The farming communities are becoming educated through schools, institute, and newspaper instruction and advice in more scientific methods of crop producing by the use of proper machinery, and the raising of better grades of domestic animals. Home conditions are being improved each year and the future looks fairly bright for this large proportion of the people of this island.

It is estimated that the cheese product for the year was about 1,200 tons and that of butter about 250 tons. The value of the exports of these two articles was about \$415,000, that of cheese being \$280,000 and butter \$135,000. The price of each ranged unusually high through the year, cheese commanding the highest average price of any year since 1899 except in 1906, when it was slightly higher. The average price for cheese for 1908 was 11.9 cents per pound; butter ranged from 20 to 27 cents per pound.

PASTEURIZING OF WHEY—PRODUCTION OF FRUITS.

During 1908 the leading dairy producers practiced the pasteurizing of whey, with the result that they find its condition as regards sweetness, flavor, and feeding qualities better than formerly. The cans are sweeter and much easier to wash, much less grease adheres to them, the night's milk is less liable to be grassy, and the cans will probably last longer. The patrons of the factories find that it pays to have the whey thus treated.

It is estimated that the number of swine raised each year is about 45,000, of which 30,000 are dressed, packed, and exported to the nearby provinces. Prices ranged from $7\frac{1}{2}$ to $7\frac{3}{4}$ cents per pound in 1908 and the value to the farmers has amounted to about \$360,000. The packers prefer hogs of about 175 pounds dressed weight. The export of lambs to the Boston market was less in 1908 than for some years, their value for export being \$1 less per lamb. As a very large quantity of hay was harvested, more of the farmers are wintering large numbers of sheep. Boston furnishes a good market in the late fall for live geese and turkeys, although most of the latter are demanded by the Dominion markets.

The production of vegetables was large and of excellent quality, but was mostly consumed at home. Berries of all kinds and fruit were produced in large quantities. Many fresh blueberries were exported to the United States for canning purposes.

MANUFACTURING AND INDUSTRIAL CONDITIONS.

Except to meet local demands, manufacturing is not engaged in extensively. There is a comparatively small amount of lumber produced, most of that used being brought in from New Brunswick. Also a small quantity of special kinds is shipped from the United States for cabinet work and inside finish. The local mills are limited in their capacity to a small output in the winter season.

Agricultural machinery and implements, carriages, flour mills, machines, boilers, starch, condensed milk, leather, boots and shoes, and meat products are also included in the list of manufactures, but the output in each line is small, and almost none of the product goes outside the provincial markets.

Wages for skilled or unskilled labor are practically the same as for a number of years past, although there has been a marked increase from ten years ago, more especially in the skilled trades. No labor disturbances are known here, although there are many union men. Comfort and contentment generally prevail among laboring men.

There is but little female or child labor employed in this district. Financial disturbances and conditions of depression undoubtedly affect this district but little, as the population is so largely agricultural, and in all manufacturing lines there is no very great change from year to year. Those thus engaged believe that 1909 may be an improvement over 1908 in the matter of production, but in all probability conditions and results will be much the same as in other years.

There is a growing demand for gasoline engines to be used on farms, in small manufactories, and in fishing and pleasure boats. The United States gets its share of this trade, but last year a Charlottetown firm, engaged in the building of machinery and boilers, got special designs from the United States and has built 50 of these engines. It expects to develop a new and profitable branch of its business in this way. It will probably be able to compete successfully with the foreign-made engine.

The output of local factories can not supply the home demand, and there is a large importation of farm, shop, and factory machinery, of which the United States gets its share, because of the special adaptability, durability, design, and finish of its products and a

greater nearness to this market. The Canadian tariff is not necessarily prohibitive, although it is intended to protect and foster the development of Canadian industrial enterprises.

OUTPUT OF THE FISHERIES.

The total value of the product of the fisheries of Prince Edward Island in 1908 was not equal to that of the previous year. The lobster catch was about 50,000 cases, the average price being about \$15 per case. The catch is largely contracted for early in the season, or even before the fishing season commences, and last year those who did not contract had to accept lower prices during the latter part of the year. The exceptionally high price and conditions prevailing in the United States operated to make the export to that country less than for some years and large shipments were made to European countries. The drop in price near the end of the year has discouraged fishermen and packers from planning any great activity for the coming year. Should the price remain low, packers will not make any great increase in investment, and fishermen will not exert themselves. The catch for 1909 is therefore expected to be small.

Oyster fishing in 1908 yielded about 10,000 barrels, an increase over 1907, ranging in price from \$3 to \$9 per barrel. The Prince Edward Island oyster bears a good reputation for quality and flavor, and readily finds a market in Montreal.

The herring and mackerel catch was small, but authoritative statistics are not yet obtainable. The herring season opened fairly well in some sections, but this condition lasted but a short time on account of the dogfish, although the latter were not so troublesome as in some years. Those especially interested in the lobster industry hope for beneficial results from the government hatcheries. Dominion and provincial legislation is intended to augment the value of the fisheries, and local authorities are awake to the necessity of having protective laws enforced.

The opening of the season for smelt fishing seemed favorable, but some disappointment over results came later, although it is thought that the catch will prove better than that of a year ago. Many are shipped to the Boston market, where the superiority of the island smelt is recognized. The codfish catch, never large, was fairly good, although a scarcity of bait was complained of.

Sportsmen from other Canadian provinces and from New England come here during a part of the summer and fall seasons to enjoy the healthful climate, and to hunt and fish. Provincial legislation attempts to protect the fish in the inland waters and the small game which abounds, in order that this attraction may not be lost to the island.

PUBLIC IMPROVEMENTS.

The Dominion government appropriated \$25,000 to be used in an attempt to find a coal deposit on this island. Operations were commenced in October and have continued without success. The first boring was to the depth of 2,000 feet. Another is now being made in a different locality, which has reached a depth of nearly 1,000 feet, but thus far no evidence of a deposit of this valuable mineral has been found. The work is being done under contract by persons from the State of Pennsylvania.

During 1908 the city of Charlottetown expended \$12,300 on concrete sidewalks and macadam streets as new and permanent work, of which \$9,000 was for concrete walks. The Dominion and provincial governments also expended for the same purpose about the public buildings the sum of \$2,500; the cost per square yard for concrete walk was \$1.80, the sand used being of local origin, while the cement (Portland) was imported from England at a cost here of \$2.24 per barrel. The hard stone used for macadam streets is obtained from the Nova Scotia coast, and prepared for use in the city crusher.

The Bank of Montreal has nearly completed the construction of a fine new bank building costing about \$40,000, and many other improvements are being made.

NEW RAILROAD SHOPS.

The largest expenditure of money in improvements is in connection with the Prince Edward Island Railway. Three years ago the local building and repair shops were destroyed by fire, and the Dominion government has been rebuilding on an extensive scale, the plans involving the expenditure of nearly \$3,000,000, and including a large concrete wharf at Souris, and some other lesser improvements along the line of nearly 275 miles of road, including the main line, extending nearly the whole length of the island, and three branch lines to the north and south coasts.

At Charlottetown the plans include shops for the building and repair of cars, and the setting up and repair of engines. These shops are entirely modern in every way and very extensive, and are equipped with the most modern machinery, principally made in Ontario and the United States. All cars are built here; wheels are imported from Germany; many heavy castings from New Brunswick and other Canadian foundries; and the wood used is mostly from New Brunswick. The plans also include a roundhouse, a powerhouse, a tank and flue, mechanical offices, warehouse 250 feet long and 70 feet wide, an extension of yard and a concrete wharf costing nearly \$150,000. The new buildings are mostly of brick and concrete, the large shops and powerhouse being of reinforced concrete; the buttressed concrete wharf was built in about 30 feet of water at high tide, and incloses about 1 acre of ground.

The power to be used is both steam and electricity, and the shops are all heated by the blower system. Heavier steel rails are being laid on some sections of the road, and another extension is in anticipation. This railroad is owned by the Dominion government, it being really an extension of the Intercolonial, and is under the controlling influence of the department of railways and canals, with a resident superintendent at Charlottetown.

The incorporated town of Summerside has put in a very up-to-date system of water supply and sewerage at a cost of nearly \$100,000, and other localities can be credited with a spirit of progressive development.

USE OF MOTOR CARS PROHIBITED.

An act of the provincial legislature in session in the spring of 1908 practically prohibited the use of motor or power cars of any kind on the streets and highways of Prince Edward Island, although but few

were owned. The constitutionality of the act was questioned and a case taken to the courts to test it. The privy council in November held the act to be within the jurisdiction of the provincial parliament. Petitions are being widely circulated asking for the repeal of the act by the next parliament, and should such action result, it is said that motor cars will be manufactured here under the claim that they can be built here as cheaply as anywhere. In fact, such an enterprise was in an embryonic stage when the act was passed.

Certain citizens of this district are rejoicing over the inauguration by the Dominion government of rural mail delivery. Several routes have already been established, and other communities of people are petitioners for similar advantages.

FINANCIAL CONDITIONS AND TRADE.

The people could not be otherwise than prosperous, with bountiful harvests and reasonable prices for the surplus they have had to sell. Money was plentiful during the year, and banking institutions report prosperity. Failures have not been numerous or for large amounts, and business men report collections made without any unusual difficulty.

Money readily commands 6 per cent or more on short-time loans, while Charlottetown was able to dispose of bonds at 4 and 4½ per cent, largely to its own people.

The retail trade was good during the year, the products of United States shops and factories holding their own in this market. In small hardware and edged tools, agricultural implements, some lines of dry and fancy goods, silver and hollow plated goods, clocks and watches, millinery, books, papers, and magazines, stationery and stationers' goods, agricultural seeds, and in other lines they find a market here, which is not growing less valuable. The sale of magazines is constantly on the increase, notwithstanding English and Canadian magazines enter into competition. One firm buys nearly \$25,000 worth of agricultural seeds every year in the American markets.

The consumption of tropical fruits is constantly increasing, and these come largely from Boston, with the exception of grapes, which are raised in Ontario. Some complaint is made that the fruit packages are not made as strong as they should be, and that more or less damage is occasioned thereby.

Regular and well-established currents of trade are apt to continue, even with little or no effort to prevent interference, but to establish a trade in new lines or to largely increase established trade calls for effort and activity on the part of those who desire such results. Active commercial travelers can do much toward this end; advertisements and catalogues are not always a waste of time and capital, and personal correspondence offering reciprocal advantages is usually honestly and carefully considered. There is no prejudice against American-made goods except such as comes from loyalty to home capital and labor.

SALES TO THE UNITED STATES.

The declared value of the exports from Charlottetown to the United States in 1908 was \$286,879, against \$343,348 in 1907; from Summerside agency, \$94,861, against \$121,416; and from Souris agency, \$7,069, against \$21,244, making the total from the island in 1908,

\$388,809, against \$486,008 in 1907. The shipments from Charlottetown showed a decrease of \$37,785 in canned lobsters and \$35,973 in mackerel, while the item of potatoes increased \$31,314. The decreases from Summerfield were in lambs, amounting to \$12,589, and in clams to the value of \$17,344, while from Souris the decrease was almost entirely in mackerel, amounting to \$12,906.

The exports in detail from Charlottetown and the agencies at Summerside and Souris to the United States in 1908 were as follows:

Articles.	Value.	Articles.	Value.
CHARLOTTETOWN.		SUMMERSIDE—continued.	
Copper, brass, and rubber, scrap.....	\$1,132	Fish and fish products—Continued.	
Eggs.....	8,486	Lobsters, canned.....	\$19,114
Fish and fish products:		Mackerel.....	2,747
Clams.....	1,422	Smelts, frozen.....	5,302
Herrings.....	1,257	Sounds, hake.....	2,997
Lobsters, canned.....	221,897	Hides and skins.....	11,970
Smelts.....	1,120	Potatoes.....	7,638
Sounds, hake.....	963	Poultry.....	3,758
Hides and skins.....	11,191	Total.....	94,861
Household effects.....	2,686		
Potatoes.....	35,186	SOURIS.	
Seeds.....	368	Fish and fish products:	
All other articles.....	1,171	Lobsters, canned.....	1,600
Total.....	286,879	Mackerel.....	2,532
		Sounds.....	1,744
SUMMERSIDE.		Household effects.....	295
Animals:		Poultry.....	545
Horses.....	1,410	All other articles.....	353
Lambs.....	36,193	Total.....	7,069
Emigrants' effects.....	1,187	Grand total.....	388,909
Fish and fish products:			
Clams.....	736		
Cod.....	1,909		

QUEBEC.

MONTREAL.

By CONSUL-GENERAL WILLIAM HARRISON BRADLEY.

The trade of Montreal and district for the calendar year 1908 experienced in general a gradual decline, or readjustment of values on a slightly lower scale. Exports and imports decreased, particularly the latter, showing that the district was absorbing stock in hand. Shipping companies report a falling off in cargoes both in and out, and bank clearings fell off as well. The clearings for Montreal for 1907 were \$1,430,150,000, and \$1,326,609,000 in 1908, showing a decrease of \$103,541,000.

The bank clearings of Montreal show a gradual recovery after the first months of the year, from the trying times at the close of 1907, until September, October, and November, when they were practically equal to those of the corresponding period of the previous year. The difference in the clearings between the two years shows approximately the shrinkage of general business. Montreal stood ninth among the large cities of this continent in respect to the amount of its clearings during the year, eight cities of the United States exceeding it.

During the year provision was made in parliament for the issuing of notes for circulation by the banks during the period from October 1 to January 21 of each year in excess of their paid-up capital, which

formerly was the limit of the amount of note circulation allowed, with the idea of relieving any stringency that might occur during the moving of crops. This extra issue can not exceed 15 per cent of the paid-up capital and reserve funds of the bank, which must pay to the government a 5 per cent tax on all circulation in excess of the amount of paid-up capital. The banks generally did not take advantage of this act.

SHIPPING STATISTICS.

During the season of navigation of 1908, 739 ocean vessels arrived at the port of Montreal, one less than in the previous year. The tonnage of these vessels was greater by 34,129 tons, there being 1,958,604 tons in 1908 against 1,924,475 tons in 1907. No seagoing sailing ships came into port.

The customs collections at this port for the seven months of the season showed a decrease of \$3,013,083, being \$7,502,784 in 1908, against \$10,515,867 in 1907.

The amount of incoming and outgoing cargoes for the full winter and summer work of the four principal Canadian Atlantic ports, ending with the opening of navigation in the spring of 1908 was as follows:

Port.	Inward.	Outward.	Total.
	<i>Tons.</i>	<i>Tons.</i>	<i>Tons.</i>
Halifax.....	218,854	322,919	541,773
Montreal.....	811,014	1,428,770	2,239,784
Quebec.....	79,191	184,630	263,821
St. John.....	306,712	773,524	1,080,236
Total.....	1,415,771	2,709,843	4,125,614

Besides an additional steamer from the Manchester Ship Canal to Montreal, put on during the summer, with a boat every two weeks, there were several other projects more or less definitely arranged for the coming season, including a joint service by the Hamburg-American, North German Lloyd, and Holland-American lines to the north of Europe; a direct passenger and freight service by the White Star Line, with two large new ships of about 15,000 tons, between Montreal and Liverpool; a new line by private parties from Montreal to the Bermudas, and greater facilities for trade with the Mediterranean by the Thomson Line.

TIMBER EXPORTS AND PURCHASES OF COAL.

The timber exports for the season of 1908 were the smallest for four years past. The shipment to the United States and the Continent was 107,937,057 feet, a decrease of 6,063,257 feet compared with 1907, of 38,831,366 feet compared with 1906, and of 46,055,855 feet compared with 1904. Lumbering generally had a harder time than other industries, until near the close of the year, when strong purchases for future delivery stiffened prices and permitted lumbermen to make preparations for a good cut during the winter.

Forest fires did enormous damage through the Province. The smoke from these during September and October seriously hindered navigation along the lower St. Lawrence. The rainfall was so much

below the average that industrial concerns dependent on water power were obliged to shorten their hours of labor, and in one or two cases to shut down entirely for a time.

There were 1,548,469 tons of coal brought into Montreal from lower St. Lawrence ports. A summary of American coal imports into Quebec for the seven months of open navigation in 1908 shows: Anthracite, 603,000 tons; bituminous, 198,000 tons; and dust, 84,000 tons; total, 885,000 tons.

MANUFACTURING—LABOR DISPUTES.

* Manufacturing in general had a fair year, prices for the most part being fairly sustained. In the Province of Quebec there are about 806,508 spindles for spinning cotton. These spindles have taken during the past year approximately 80,000 bales of raw cotton. About 30,000 fewer spindles were running during 1908 than during the previous year. The yarn spun is usually 40s. Only one mill in the Province weaves cloth which requires finer counts.

There was not the decline in wages that might have been expected after the financial trouble of the fall of 1907, but there was a small reduction on the part of some of the railway companies, balanced, however, by an increase in others. By December the general activity and demand for labor were greater than in the corresponding month of 1907.

Fewer industrial disputes were brought before the commissioners under the industrial-disputes investigation act, the notable exceptions to this being the strike of the textile workers in Quebec and the strike of the machinists and mechanics of the Canadian Pacific Railway. A board of conciliation and investigation was established for the adjustment of the latter dispute, the decision of which was accepted by the Canadian Pacific Railway under protest, and was declared by the employees unacceptable to them. The strike involved about 5,000 men, was commenced in August, and continued through September. On October 5 the minister of labor was notified by the representative of the men that they had decided to accept the original award of the conciliation board. The company agreed to take all reasonable means to find employment for the strikers, and to take measures to prevent discrimination. It is understood that the striking employees returned to work immediately, so far as the company was able to find positions for them.

RECEIPTS AND SHIPMENTS OF PRODUCE.

Of the total receipts of produce at Montreal in 1908, the Grand Trunk Railway carried the following principal articles: Wheat, 7,375,914 bushels; corn, 267,678 bushels; peas, 198,435 bushels; oats, 634,911 bushels; barley, 399,705 bushels; flour, 370,627 barrels; eggs, 142,912 cases; butter, 184,495 packages; cheese, 958,083 boxes; lard, 223,412 barrels; and meats, hams, and bacon, 80,839 packages. The Canadian Pacific Railway, during the year, carried of these articles the following: Wheat, 204,330 bushels; corn, 42,100 bushels; peas, 66,566 bushels; oats, 690,150 bushels; barley, 230,806 bushels; flour, 573,768 barrels; eggs, 78,251 cases; butter, 194,526 packages;

cheese, 600,340 boxes; lard, 233,141 barrels; and meats, hams, and bacon, 153,929 packages. The quantity of cereals and provisions transported through the Lachine Canal for Montreal during 1908 consisted of the following chief items: Wheat, 23,266,129 bushels; corn, 409,404 bushels; oats, 1,484,675 bushels; barley, 1,032,124 bushels; rye, 278,967 bushels; flaxseed, 1,070,247 bushels; eggs, 15,164 cases; and cheese, 262,337 boxes. From these figures it will be seen that more than 75 per cent of the wheat, 50 per cent of the oats, and 60 per cent of the barley passed through the Lachine Canal.

Of the shipments of wheat by way of the St. Lawrence River in 1908, the principal ports of destination and amounts taken, in bushels, were as follows: London, 7,039,798; Liverpool, 4,810,277; Glasgow, 2,718,349; Antwerp, 2,033,061; Leith, 1,233,918; Avonmouth, 1,852,796; Manchester, 1,586,990; St. Petersburg, 827,194; Bristol, 801,359; Marseilles, 677,537; Leghorn, 625,300; Rotterdam, 559,295; Palermo, 228,606; Algiers, 230,346; Genoa, 204,500; Belfast, 246,502; Dublin, 216,371; Newcastle, 271,309; Naples, 159,000; and Malta, 193,200. The bulk of the flour went to London with 162,506 barrels; Glasgow, 218,969 barrels; South African ports, 157,955 barrels; and Antwerp, 54,638 barrels. London took nearly 50 per cent of the shipments of cheese, amounting to 805,940 boxes, while Liverpool came next with 412,430 boxes. Of the shipments of lard, 101,135 barrels went to London, 99,897 barrels to Liverpool, and 64,092 barrels to Manchester.

The receipts and shipments of produce at Montreal in 1907 and 1908 in detail were as follows:

Articles.	Receipts.		Shipments.	
	1907.	1908.	1907.	1908.
Wheat.....bushels..	25,290,140	30,846,373	20,950,097	27,405,034
Barley.....do.....	1,185,094	1,662,635	803,784	1,268,689
Buckwheat.....do.....	44,530	161,163	47,741	84,463
Corn.....do.....	5,447,056	719,182	4,831,773	268,433
Flour.....barrels..	1,121,482	973,314	1,031,896	892,707
Meal.....do.....	97,226	103,868	67,228	40,338
Rye.....bushels..	106,770	323,563	128,403	255,012
Flaxseed.....do.....	2,166,308	1,373,806	1,381,935	678,184
Oats.....do.....	5,700,273	2,809,736	3,862,657	130,497
Peas.....do.....	178,384	265,336	141,714	235,888
Butter.....packages.	405,554	446,959	66,871	95,828
Cheese.....boxes..	2,063,966	1,961,006	1,977,478	1,793,102
Eggs.....cases..	211,626	263,651	28,175	10,377
Bacon and hams, etc.....packages.	281,812	234,768	59,158	51,494
Lard.....barrels..	386,125	458,975	353,114	382,978

EXPORTS TO THE UNITED STATES.

The total value of the exports declared from this consular district to the United States in 1908 was \$4,299,369, of which Montreal furnished articles, including American goods returned, worth \$4,234,227; the agency of Huntingdon, \$49,146, and Hemmingford, \$15,996. The principal articles from Huntingdon were horses valued at \$15,701; hides, \$11,816; household effects, \$7,386, and cattle, \$5,800; while pulp wood worth \$10,784 and live animals valued at \$3,748 were shipped from Hemmingford.

The articles of export from Montreal during 1907 and 1908 were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals, live.....	\$36,827	\$25,280	Metals—Continued.		
Automobiles.....	31,500	90,908	Scrap—Continued.		
Bags, cotton and jute.....	12,298	20,160	Tin.....	\$21,487	\$6,040
Books, etc.....	20,339	13,548	Steel and iron ingots.....		18,512
Breadstuffs.....	840	123,390	Other.....	23,700	5,962
Bullion, gold and silver.....	16,408	235	Minerals.....	2,981	4,164
Cartridges.....	31,323	20,312	Paintings.....	36,460	14,511
Butter.....	24,856		Paper, etc.:.....		
Chemicals, drugs, dyes, etc.	43,137	748,418	Building.....	13,339	5,705
Cotton and manufactures of.	22,317	44,563	Printing.....		84,987
Fertilizers.....	13,635	42,882	Paper stock.....	60,338	35,559
Fish.....	13,144	6,194	Rubber, scrap, etc.....	76,143	80,742
Furs, and manufactures of:			Sausage casings.....	2,983	7,637
Raw.....	271,917	208,511	Soap stock.....	21,047	37,068
Cuttings.....	32,563	25,674	Tankage (fertilizer).....	26,505	27,770
Dressed.....	3,335	6,496	Tea.....	32,526	48,426
Waste.....	3,055	8,051	Tobacco.....	84,907	106,453
Other.....	910	678	Wood, and manufactures of:		
Gas liquor.....		13,178	Clapboards.....	15,291	44,019
Hair, animal.....	36,962	15,442	Laths.....	1,757	7,249
Hides and skins.....	209,521	298,900	Lumber.....	562,427	586,282
Household effects.....	198,275	171,037	Pulp wood.....	200,100	115,772
Jewelers' sweepings, etc.....	31,101	14,135	Shingles.....	951	10,173
Jewelry.....	200	4,578	Wood pulp.....	621,893	487,057
Leather, and leather scrap.....	15,352	45,291	All other articles.....	296,893	25,579
Liquors.....	41,897	16,492	Total.....	3,295,177	3,805,134
Metals:			Returned American goods..	496,648	429,093
Iron tinned.....	243	5,652			
Scrap—					
Brass.....	26,082	11,934			
Copper.....	85,972	63,520			
			Grand total.....	3,781,825	4,234,227

QUEBEC.

By CONSUL WILLIAM W. HENRY.

This city is the capital of the Province of Quebec, and is second in size and importance in the Province. The population is about 80,000 and next to Montreal it is the principal port on the St. Lawrence River. The season of navigation is from April to November, and during this period all the immigrants coming by the St. Lawrence River are landed here. The district is rich in immense tracts of spruce, balsam, and cedar forests, and it is in these forests that the main wealth of the district lies.

During 1908 the exports of lumber to the United States were not quite so great as in 1907, the decrease being due to the cut in prices. The value of the pulp wood exported to the United States was \$636,186, against \$385,940 in 1907. This increase is due in part to the increase in the size of the district owing to the fact that the consulate at Three Rivers was abolished June 30, 1908. However the exports of pulp wood from the Quebec district proper were equal to, if not a little more than, those of 1907. There has been much talk for an export duty on pulp wood high enough to prohibit its export to the United States to compel the American concerns to manufacture the pulp in Canada. There has been nothing done about the matter in parliament as yet.

There has, however, been a large increase in the amount of wood pulp exported to the United States. Large manufactories of wood pulp are established at Chicoutimi and Shawinigan Falls. The

former has a capital of \$1,600,000 and has a mill capacity of 33,000 dry tons per annum. It has 338,500 acres of spruce timber lands and employs from 300 to 500 men. During 1908 the value of the wood pulp exported to the United States was \$230,361. Considerable printing paper was shipped into the United States. Should an export duty be imposed upon pulp wood as proposed, the manufacture of wood pulp and paper would doubtless become one of the most important industries in the province. The prices for wood pulp are generally higher in the United States than in England, but as most of it is shipped to the United States by rail the cost of transportation is high. Last season one large shipment was made to Portland, Me., by steamboat. This was a new venture and if it proved successful there will doubtless be more shipments of this sort from Chicoutimi.

RAILWAY IMPROVEMENTS—AGRICULTURAL INTERESTS.

The Canadian Government has purchased the charter of the Quebec Bridge Company and proposes building a new bridge. Several engineers are at work upon new plans. No work has been done toward removing the débris of the old bridge.

During the past year the Canadian Northern Quebec Railway assumed control of the Quebec and Lake St. John Railway and ran through trains over its lines to Montreal. During the season of 1908 a branch of the Canadian Northern Quebec Railway from Quebec to Garneau Junction was practically completed, thus shortening the distance from Quebec to Montreal over its lines by nearly 100 miles and making this road a practical competitor of the Canadian Pacific for freight and passengers between here and Montreal on the north shore. Car ferries are being built for the accommodation of the railways on the south shore and are expected to be in use in 1909.

Quebec as a port is becoming more prominent. The Canadian Pacific Railway has made this city the summer terminus for its large ocean liners and has expended considerable money in enlarging its dock some 1,200 feet. It has also extended the railroad so that freight is loaded from car to ship without delay.

The agricultural interests in this city and district are mostly of a local character, and compared with the lumber and pulp wood industries are of minor importance. The crops for the year were above the general average, especially in hay, oats, and potatoes. The farms are small, and as a rule very little farm produce is exported. The unusual demand for foodstuffs occasioned by the crowds attending the Champlain tercentenary celebration in July caused a shortage, which increased prices throughout the district, but they soon fell back to the normal.

The manufacture of boots and shoes is an important occupation in Quebec, there being no less than 22 establishments. The grade of shoes made is generally not very expensive, and there is still a good demand for American shoes of the finer grades. Cotton is manufactured here to some extent.

The large number of skilled workmen who were brought here from the United States to work in the Ross rifle factory have returned home, being succeeded by Canadian workmen.

IMPORTS BY COUNTRIES AND BY ARTICLES.

The imports into Quebec in 1908 were valued at \$9,095,859, against \$11,878,366 in 1907. The imports, by countries, for 1907 and 1908, respectively, are shown in the following statement:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$4,196,204	\$3,954,220	Netherlands.....	\$117,398	\$129,552
Belgium.....	54,019	94,806	Spain.....	64,655	20,712
British West Indies.....	199,535	115,618	Switzerland.....	38,715	37,909
Ceylon.....	12,220	27,748	United Kingdom.....	6,161,266	3,960,137
China.....	11,485	7,885	All other countries.....	248,285	138,702
France.....	495,152	412,448			
Germany.....	252,562	187,112	Total.....	11,878,366	9,095,859
Japan.....	26,870	9,010			

Of the articles imported into Quebec in 1908, settlers' effects, valued at \$1,509,400, were the largest item, followed by manufactures of iron and steel, \$716,305; raw cotton, \$707,022; and coal and coke, \$670,516.

In the following statement are shown the total imports, by articles, from all countries, and the share of each from the United States and from the United Kingdom during 1908:

Articles.	United States.	United Kingdom.	Total all countries.
Animals, live.....	\$3,235	\$65,244	\$68,479
Books, paper, music, etc.....	21,410	18,209	90,897
Buttons, brushes, combs, collars, etc.....	10,215	14,410	25,955
Brass and copper articles.....	52,710	53,340	114,840
Carpets.....		68,810	80,515
Cement.....	3,755	16,709	22,698
Coal and coke.....	644,958	25,558	670,516
Coffee and chocolate.....	610	8,685	17,115
Cotton, and manufactures of:			
Raw.....	707,022		707,022
Fabrics, etc.....	98,520	252,280	379,425
Drugs, chemicals, dyes, etc.....	47,415	18,740	79,155
Earthen and china ware.....	2,240	80,715	87,871
Fancy goods, toys, embroideries, etc.....	19,710	42,780	131,076
Fruits.....	66,363	30,099	96,705
Furs, and manufactures of.....	109,106	101,214	355,825
Glass, and manufactures of.....	25,390	15,710	81,070
Gutta-percha and India rubber, manufactures of.....	27,315	13,670	41,995
Grain of all kinds.....	105,205		105,205
Hats, caps, bonnets, etc.....	47,715	99,880	159,991
Hides.....	159,780	124,683	470,528
Iron and steel, manufactures of.....	520,745	180,310	716,305
Jewelry, watches, etc.....	45,710	8,980	59,894
Leather, and manufactures of.....	110,410	11,813	126,523
Lumber and timber.....	151,710		151,710
Oils.....	4,980	13,910	21,409
Oilcloth.....	3,980	42,710	46,690
Provisions.....	299,363		299,363
Seeds.....	112,665	974	133,189
Settlers' effects.....	136,114	1,330,180	1,509,400
Silk, manufactures of.....	1,210	115,220	125,230
Spirits.....	646	39,073	238,051
Sugar and candy.....	1,119	72,052	115,325
Tea.....	4,234	18,372	63,794
Tin, and manufactures of.....		68,410	68,410
Wool, manufactures of.....	11,410	515,325	589,460
All other articles.....	397,260	492,072	1,258,433
Total.....	3,954,220	3,960,137	9,095,859

EXPORTS TO THE UNITED STATES.

The declared value of the exports, exclusive of returned goods, from this consular district to the United States in 1908 was \$2,570,355, of which Quebec furnished articles worth \$1,582,524, and the agencies at Levis and Victoriaville \$413,960 and \$573,871, respectively. The articles from Quebec were:

Articles.	Value.	Articles.	Value.
Balsam.....	\$1,629	Skins, calf.....	\$67,803
Brass, scrap.....	5,317	Sugar, maple.....	43,918
Fertilizers.....	23,338	Tobacco, scrap.....	1,129
Fish.....	5,274	Wood, and manufactures of:	
Fur, and manufactures of:		Clapboards.....	1,225
Raw.....	33,298	Lumber.....	349,593
Other.....	1,592	Pulp wood.....	636,186
Hair.....	10,038	Shingles.....	5,956
Heads, mounted.....	1,140	Wood pulp.....	230,362
Hides.....	18,351	All other articles.....	68,915
Household effects.....	7,750	Total.....	1,582,524
Paper, manufactures of:		Returned American goods.....	41,727
Printing.....	44,643	Grand total.....	1,624,251
Other.....	557		
Rubber, old.....	24,540		

SHIPMENTS FROM AGENCIES TO THE UNITED STATES.

The item of pulp wood comprised nearly 50 per cent of the exports from the Levis agency to the United States in 1908, the value being \$201,628. The exports in detail were as follows:

Articles.	Value.	Articles.	Value.
Animals:		Wood, and manufactures of—Cont'd.	
Cattle.....	\$3,160	Match splints.....	\$2,581
Sheep.....	25,811	Pulp wood.....	201,628
Other.....	148	Shingles.....	30,434
Blueberries.....	27,617	Ties.....	28,167
Camp supplies.....	4,473	Other.....	338
Fish (salted eels).....	972	All other articles.....	407
Household effects.....	3,303	Total.....	413,960
Sugar, maple.....	15,907	Returned American goods.....	6,058
Wood, and manufactures of:		Grand total.....	420,018
Laths.....	2,750		
Lumber.....	66,284		

The exports from the Victoriaville agency to the United States in the past year consisted chiefly of asbestos and pulp wood, these two articles comprising 81 per cent of the total shipments. A detailed statement of the exports to the United States in 1908 follows:

Articles.	Value.	Articles.	Value.
Asbestos.....	\$211,107	Wood, and manufactures of—Cont'd.	
Hides.....	26,155	Shingles.....	\$7,074
Household effects.....	6,644	Other.....	572
Lambs.....	5,773	All other articles.....	1,740
Leather, scrap.....	747	Total.....	573,871
Skins.....	19,647	Returned American goods.....	700
Sugar, maple.....	3,290	Grand total.....	574,571
Wood, and manufactures of:			
Lumber.....	36,192		
Pulp wood.....	254,930		

RIMOUSKI.

By CONSUL FREDERICK M. RYDER.

The towns of Riviere-du-Loup and Rimouski have outdistanced all others in the consular district within the past ten years, each having doubled in population and exceeded that percentage in its increase in business importance.

The terminus of the Temiscouta Railway, with its main offices and repair shops, the extensive machine shops of the Intercolonial Railway system, a large pulp mill and other lumber interests are mainly responsible for the rapid growth of Riviere-du-Loup, while Rimouski attributes its prosperity to the wealth of its surrounding forests, its well-equipped mills for manufacturing lumber, and the enterprise of the business men in the community.

A water supply equal to any emergency was recently provided under municipal control; the streets are unusually well lighted by a modern electric plant, the power for which is generated by the falls on the Rimouski River, about 2 miles from town, and it is surprising that many homes of the laboring classes are also lighted by electricity, for the reason that a low tariff of rates places this luxury within the reach of all classes; the authorities have attended to the sanitation of the town and a model sewer system has been constructed, an improvement which few towns in the province can boast. There is probably not another place of the size of Rimouski where telephones are in such general use. This is partly accounted for by the reasonable rates, varying from \$15 for residences to \$20 for business houses, for unlimited service.

RAILWAY EXTENSIONS.

Inadequate railway facilities appear to have hampered this section of the Province of Quebec to a considerable extent, yet the Intercolonial system has accomplished a great deal in the development of a strip several miles in width skirting the St. Lawrence River, but 10 miles back from the river lies an unbroken forest of spruce and cedar of immense value.

There is now a probability of this back country being opened up by a line of the Transcontinental Railway which is under construction; this system parallels the Intercolonial for a considerable distance in its course from Moncton to Quebec, some 30 to 40 miles to the southeast, and will intersect the Temiscouta Railway and Canadian Pacific at Edmundston, New Brunswick.

The Matane and Gaspé Railway, now building from St. Flavie to Matane, has a charter for extending its line to Rimouski and thence directly to Edmundston. Another project of a local company is to construct a line from Rimouski to Connors, New Brunswick, where it will connect with the Temiscouta, Transcontinental, and also the extension of the Quebec Central Railway, the first section of which is now under construction from St. George to St. Justine.

MAINTAINING WATER COMMUNICATIONS.

The North Shore Railway and Transportation Company was chartered at the last session of the legislature for the purpose of maintaining water communication, summer and winter, with the

settlements on the north shore of the St. Lawrence, with Rimouski as the terminal point on this side of the river. The Intercolonial now has a spur track down to and along the entire length of the government wharf here, which measures 2,250 feet in length, with a depth of 15 feet of water at the end of wharf at low tide. The river is about 35 miles in width at this point, and, during an extremely cold winter, the ice for several miles out on either shore attains a thickness of 3 or 4 feet and this is frequently piled several feet high with immense cakes of ice, leaving an open channel of about 15 miles in width. For at least three or four months in the year it will be difficult to maintain an open channel from shore to shore. But it is said that the Government will supply a powerful ice breaker for this purpose and will liberally subsidize the enterprise, for the north shore is now completely cut off from all communication with outside civilization for almost six months in the year, with the possible exception of an occasional dog train.

OPENING UP OF NEW INDUSTRIES—A DISTRIBUTING CENTER.

So long as there were no important interests that would materially suffer from such isolation, little attention was paid to the matter, but one of the largest pulp mills in the province, controlling an immense tract of merchantable lumber in addition to an almost unlimited supply of pulp wood, is located at Clarke City, which is connected by a 12-mile railway with Seven Islands, where it is said a fine harbor exists, which is free from ice nine or ten months in the year; this is exclusively an American enterprise, and has every appearance of being a valuable one. Other lumber interests, in addition to the fishing industries, are unanimous in a demand upon the government for assistance in securing transportation facilities which will enable them to place their products in markets requiring them.

Rimouski will then become the natural outlet for the products of the various enterprises now or to be located on the north shore of the St. Lawrence River, about 75 per cent of which will doubtless be shipped to the United States by the proposed direct lines, most probably to Sherbrooke via the Quebec Central, thence by the Boston and Maine Railroad to eastern points, or the Canadian Pacific and New York, New Haven and Hartford, or the New York Central to the western markets. In the event of present plans, several of which are now well under way, being carried through to completion, Rimouski will become an important distributing point, and an era of unusual prosperity may be safely predicted for the entire district.

TRADE OF THE AGENCIES.

The declared exports from the Cabano agency to the United States for 1908 showed an increase of \$54,605 over those of the previous year. While there was a decrease of nearly \$20,000 in the value of railway ties and \$7,000 in pulp wood, the exports of lumber and shingles increased about \$84,000 in value, equally divided between the two articles named.

There are 15 lumber and shingle mills within this jurisdiction and these were running full time during the entire year. Three shingle

and two pulp mills are now under construction, one of the latter being financed by American capital; the product of these mills will be shipped almost entirely to the United States.

Lumbermen predict that the cut of 1909 will exceed that of 1908 by at least 30 per cent, and that the coming year will in every respect be an unusually prosperous one. Lumber and its manufactures are the only industries of importance in this district, consequently when the supply of this product is equal to the demand, business generally is in a flourishing condition throughout the entire district.

The principal industry in the Edmundston agency district is connected with lumber and its varied products. There are eight representative concerns engaged in these enterprises within the jurisdiction of this consular agency, three of which are owned by Americans. Nearly all of the product is exported to the United States, only a small portion going to European markets.

The exports to the United States declared at the agency at Edmundston for the six months ended December 31, 1908, reached the highest point on record, \$344,848, the value of lumber and shingles alone amounting to \$327,917.

The cost of labor has increased greatly in the past few years; the demand has exceeded the supply to such an extent that every laborer available from the surrounding towns has been drafted into the service of the mills and lumber camps at almost any price. As a consequence the cost of living has increased proportionately.

Agricultural interests continue to show a marked improvement; aside from supplying the local trade, which is extensive, hay, oats, and other farm products are being shipped to the Montreal market. The cheese and butter manufactured in this vicinity are of excellent quality and bring the highest prices quoted in foreign markets, a considerable quantity being shipped abroad.

Judging from present indications, exports from this district to the United States during 1909 will be more than double those of 1908 in value.

DECLARED EXPORTS TO THE UNITED STATES.

The following is a statement of the declared exports from Rimouski and the consular agency at Cabano for 1908, and those from the consular agency at Edmundston for six months of that period:

Articles.	Rimouski.	Cabano.	Edmundston.
Animals: Lambs.....			\$1,931
Furs, raw.....	\$10,556		113
Hides, raw.....			1,257
Household goods.....	724	\$399	1,455
Potatoes.....			543
Sea grass.....	13,325		
Wood, and manufactures of:			
Laths.....	32,868	22,847	8,429
Lumber.....	247,025	160,233	251,707
Pulp wood.....	8,090	1,091	
Shingles.....	611,073	230,454	76,209
Ties.....	158,900	9,250	
Wood pulp.....	91,643	19,015	
All other articles.....	120		187
Total.....	1,174,324	443,289	341,831
Returned American goods.....	1,500	98	3,017
Grand total.....	1,175,824	443,387	344,848

Notwithstanding the depressed condition of business generally during 1908, the declared exports from this consular district to the United States show a marked increase over those of the previous year, except for those of pulp wood and wood pulp, the decrease in the exportation of these products being due solely to strikes in the paper mills and the unsettled condition of the United States paper market. Under normal conditions this product is practically all shipped to paper mills in the United States, but for the latter reason stated the exports during the year were largely to European countries.

The exports of lumber more than doubled those of last year, indicating an increase of \$330,633, while the value of white cedar shingles almost reached \$1,000,000, showing a gain of \$130,024; spruce laths showed an increased value of over \$25,000, and cedar railroad ties an increase of nearly \$22,000. The total increase in value of exports to the United States for the year was \$437,799.

The aggregate value of wood and its manufactures exported to the United States from Rimouski, exclusive of its agencies, during 1908 amounted in value to \$1,149,599, while the custom-house records show clearances to have been made for European ports amounting to \$189,293.

The value of imports entered at this custom-house represents only a small percentage of the goods of foreign manufacture consumed in the district. The general merchants order goods principally through traveling salesmen representing wholesale houses in Montreal and Quebec, consequently these two cities are really the ports of entry for the entire Province of Quebec, which accounts largely for the volume of receipts at custom-houses in each of the above ports.

ST. JOHN'S.

By CONSUL CHARLES DEAL.

St. John's in 1906-7 had a boom, but, like the balance of Canada, for the greater part of 1908 has been awaiting developments or moving slowly, the manufacturers repairing or improving their plants in anticipation of a general revival, and the outlook is for a healthy and steady improvement in trade and general industry.

There are 17 industries within the town, besides others at different points in the district. It has 3 banks with branches in the several smaller villages, and 6 railroads. The Chambly Canal and Richelieu River project, connecting Lake Champlain and the river St. Lawrence, when completed will cost, with improvements, \$250,000.

United States money is accepted at par, and credits, exchange, and commercial customs are substantially the same as in the United States. American goods, such as hardware, dry goods, boots and shoes, etc., are found in nearly all the stores and find ready sale.

Machinery for the many industries recently established in this district is principally from the United States, and the sales could be largely increased if merchants and farmers were more frequently called upon. United States agricultural implements are preferred and their sales are rapidly increasing.

Canadian dealers and consumers recognize the superiority of many of the American-made goods, and there is no law discriminating against them.

TRADE WITH THE UNITED STATES.

The principal articles of export from St. John's are hides, horses, cattle, lumber, and marble, while the imports consist chiefly of coal, clay, iron ore, and stone. The other lines of imports are shipped through Montreal and Toronto, and therefore can not be given.

The declared value of the exports to the United States for 1908 was \$216,967, against \$343,857 in 1907. The articles and their values were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals:			Poultry	\$13,367	\$8,311
Cattle.....	\$1,873	\$2,451	Rubber, old.....	3,010	306
Horses.....	12,692	14,368	Steam shovel.....		30,000
Automobiles.....	3,400	20,260	Wood, manufactures of:		
Books.....	325	330	Lumber.....	1,767	3,670
Chicle.....	10,576		Shingles.....		1,464
Furs.....	3,220	550	Ties.....	2,036	458
Hay.....	29,939	1,271	Pulp wood.....	111	326
Hides.....	219,232	83,044	Other articles.....	17,603	18,899
Household effects.....	21,123	28,202			
Indian goods.....	1,377	1,091	Total	343,857	216,967
Machinery.....	2,306	1,974			

EDUCATIONAL AND BANKING FACILITIES.

There are several schools and convents in St. John's and district, all well patronized and giving satisfaction to parents and pupils. All have a number of pupils from the United States, who are visited frequently by their parents, who are pleased with the system and work.

Canada has 33 chartered banks with 1,608 branches. Whenever the business interests of a region, however remote, require a bank, a branch of one of the chartered banks is established, and all the available funds at the disposal of the parent banks are put at the service of the branch bank that it requires. Thus Canada can keep pace in its banking business with the new industries as they arise. The system seems to secure satisfactory results, for it facilitates collection and makes the distribution of capital easy. Banks that collect capital in older and larger towns in the form of deposits, etc., transfer it to the new sections as industry and commerce require. Loans made to merchants and manufacturers in the remote regions bear no greater interest than do loans in the larger cities.

SHERBROOKE.

By CONSUL PAUL LANG.

The long drought in 1908 affected the hay crop to a considerable extent; the hay was of a superior quality, but the quantity cut was not up to the average. The other crops were about the same as in the ordinary year. The dairy season was not as profitable to the dairy-men as those for two or three years past, owing to the drought. This caused a shortage of feed in the pastures, and a falling off in the milk production. This shrinkage in many instances was 50 per cent. The output of cheese for this season was smaller than last, but that of butter was considerably larger.

The average price of cheese at the country boards was 12 cents per pound, which was about a quarter of a cent above last year's average price. The average price of butter at the country boards was 23 cents, a fraction lower than the price in 1907. The published figures of the receipts of cheese and butter in Montreal, which is the market for the eastern townships, up to November 15, 1908, were as follows: Cheese, 1907, 2,017,262 boxes, and 1908, 1,355,552 boxes; butter, 1907, 378,898 boxes, and 1908, 384,099 boxes. The production of maple sugar was largely in excess of that of 1907 and was of excellent quality.

INDUSTRIES—AMERICAN TRADE.

The demand for sawed lumber was not equal to that of 1907. The prices for all kinds of lumber were well maintained. The shipments of pulp wood were large. The value of the pulp wood invoiced at this consulate in 1908 was \$618,070, against \$143,896 in 1907. During the last three months of the year there was a gradual decrease in the quantity of pulp wood shipped. The present market is dull, and the shipments to the United States are principally on old contracts.

During the drought in September forest fires were prevalent and a vast acreage was devastated. The trees were killed but the wood in many cases was not destroyed.

The shipments of ground wood pulp through this office were valued at \$118,476 in 1908, against \$209,404 in 1907, and of unbleached chemical wood pulp, \$107,729 in 1908, against none in 1907.

Asbestos mining was carried on profitably during 1908 at the Thetford mines, Black Lake, East Broughton, Robertson, and Asbestos. This district produces nearly all the asbestos mined on the continent. Sixteen mills are now in operation and three others in course of construction. The total capacity of all these mills will be 4,500 tons of asbestos rock per day, with an approximate output of 250 tons of mill fiber. The value of the asbestos invoiced through this office in 1908 was \$798,726, against \$863,104 in 1907. The copper mines at Capelton and Eustis were successfully operated during the year.

While there was no perceptible increase in the sale of American goods in this section during the year, no decrease was noted. No license fee is now required from commercial travelers and the territory is free to all. Large manufacturing plants were recently established here for turning out jewelry, paper machinery, and scales. All these plants were financed with American capital and are really branches of concerns located in the United States. They were located here to avoid the high Canadian tariff. Manufacturers in the United States can not compete in these lines.

This is a good territory for the introduction and sale of automobiles, boots and shoes, farming machinery and implements, musical instruments, carriages, wagons, and fertilizers.

The proximity of the United States and the ease with which Canadian merchants can reach the trade centers of New England and New York are reasons why many of them annually, and sometimes oftener, visit Boston, New York, and other places and make their purchases direct from the manufacturers, instead of buying of commercial travelers. This practice is now a very common one among large dealers.

CLASSIFICATION OF EXPORTS.

The total value of the exports, exclusive of goods returned, declared from the Sherbrooke consular district to the United States in 1908 was \$2,983,896, against \$2,357,039 in 1907. The leading articles from Sherbrooke and the four consular agencies during 1908 were as follows:

Articles.	Value.	Articles.	Value.
SHERBROOKE.		MEGANTIC—continued.	
Animals:		Household effects.....	\$2,326
Horses.....	\$7,693	Oats.....	1,632
Sheep.....	34,723	Wood, and manufactures of:	
Asbestos.....	798,726	Clapboards.....	14,669
Copper matte.....	5,708	Laths.....	3,278
Hides.....	63,308	Lumber.....	51,796
Household effects.....	19,505	Pulp wood.....	56,771
Mercury, fulminate of.....	26,385	Wood pulp.....	3,718
Ore:		All other articles.....	3,806
Chrome.....	73,778	Total.....	152,695
Copper.....	5,555	Returned American goods.....	150
Sulphur.....	17,530	Grand total.....	152,845
Sugar, maple.....	50,010		
Wood, and manufactures of:		COOKSHIRE.	
Clapboards.....	13,817	Animals, live.....	4,460
Last blocks.....	5,814	Household effects.....	1,570
Lumber.....	55,600	Wood, and manufactures of:	
Pulp wood.....	618,070	Clapboards.....	20,475
Ties.....	11,645	Laths.....	3,110
Wood pulp.....	226,205	Lumber.....	9,208
Woolen tweeds.....	6,331	Pulp wood.....	247,218
All other articles.....	22,187	Ties.....	1,125
Total.....	2,062,590	All other articles.....	3,841
Returned American goods.....	11,221	Total.....	291,007
Grand total.....	2,073,811	Returned American goods.....	1,125
		Grand total.....	292,132
STANSTEAD JUNCTION.		WATERLOO.	
Animals, live.....	13,883	Animals:	
Automobiles.....	2,000	Horses.....	4,020
Brass, scrap.....	2,800	Sheep.....	7,699
Hides and skins.....	26,642	Automobiles.....	2,500
Household effects.....	17,113	Hides and skins.....	184,715
Ore:		Household effects.....	10,347
Copper.....	22,642	Wood, and manufactures of:	
Sulphur.....	33,824	Logs.....	2,290
Wood, and manufactures of:		Lumber.....	2,792
Lumber.....	19,623	Ties.....	2,235
Logs.....	32,874	All other articles.....	8,721
Pulp wood.....	47,642	Total.....	225,319
Ties.....	20,819	Returned American goods.....	9,146
Wood pulp.....	2,282	Grand total.....	234,465
All other articles.....	10,141	Grand total for the district.....	3,069,825
Total.....	252,285		
Returned American goods.....	64,287		
Grand total.....	316,572		
MEGANTIC.			
Animals, live.....	7,910		
Hay.....	6,779		

YUKON TERRITORY.

DAWSON.

By CONSUL GEORGE C. COLE.

The value of the exports declared at Dawson to the United States, including bullion and currency and returned merchandise, during 1908 was \$1,247,356, against \$3,078,613 in 1907. The principal decline was in the exports of bullion, which showed a decrease of \$2,471,544, the value being \$2,903,835 in 1907 and \$432,291 in 1908.

The exports of currency, however, showed an increase of \$641,085 over 1907.

The value of the exports to the United States for 1908, by articles, was as follows:

Articles.	Value.	Articles.	Value.
Feed.....	\$2,790	All other articles.....	\$302
Furs.....	6,795	Total.....	29,869
Groceries.....	5,313	Bullion and currency:	
Hides and tallow.....	3,416	Bullion.....	432,291
Horses.....	1,031	Currency.....	659,230
Household effects.....	1,386	Returned American goods.....	125,966
Lumber.....	580	Grand total.....	1,247,356
Machinery and hardware.....	2,964		
Meats, dressed.....	5,302		

NEWFOUNDLAND.

REVIEW OF TRADE CONDITIONS.

By CONSUL JAMES S. BENEDICT, ST. JOHN'S.

At the commencement of 1908 the prospects were favorable for good financial returns as regards the commercial and industrial affairs of Newfoundland, but the drop in the price of codfish changed the conditions and proved detrimental to the sale of all lines of goods, especially clothing, dry goods, boots and shoes, hardware, furniture and household wares. Most of the merchants carried over stock to the present year, running from 10 to 30 per cent, as the imports of goods slightly exceeded those of the preceding year.

The seal fishery was not as lucrative as that for the season of 1907, the decrease being 31,188 seals with a net weight of 1,307 tons, valued at \$79,767.

The continued exceptionally dry weather during the summer months was not favorable to agricultural pursuits, hence production fell below that of the preceding year.

Figures are not obtainable as to the output of local manufactures for the year, but no indication of any appreciable increase in production was observed.

REVENUES AND EXPENDITURES—BANK DEPOSITS AND INVESTMENTS.

The revenue of Newfoundland on current account for the fiscal year ended June 30, 1908, amounted to \$2,829,018, as compared with \$2,750,690 for the preceding year, an increase of \$78,328. The total expenditures on current account amounted to \$2,785,835, against \$2,625,336, an increase of \$160,499, leaving a balance for the year of \$43,183.

The financial condition of the people of Newfoundland may be judged to a certain extent by the savings deposited in the banks, which were as follows: The amount on deposit in the Newfoundland Savings Bank on December 31, 1908, was \$2,631,450, an increase of \$203,520 over the previous year. The total amount at the same time in the three Canadian banks doing business in the colony was \$2,547,420. In addition to these deposits there were also in the banks deposits bearing interest and payable after notice to the sum of \$3,273,697, making

an aggregate of \$8,452,567 as properly being the savings of the people. In addition to the savings, there were held by local investors debentures to the amount of \$2,924,259 on account of the public debt of the colony, and life insurance policies at a reserved valuation of \$1,014,000, which gives a grand total of \$12,390,826 in the way of savings, investments, and reserves, which, considering the population of the island (about 240,000), shows economic and financial stability. The post-office department during 1908 issued and paid money orders to the value of nearly \$1,000,000.

SHIPPING STATISTICS—FOREST PRODUCTS.

During 1908 there were 93 vessels built in the colony, with a total of 3,338 tons, and 22 vessels totaling 2,185 tons were purchased abroad and registered for the purpose of trade, exclusive of 4 new sealing steamers, which represented an investment of about \$750,000, the greater portion of which is held in the colony. This in connection with the financial savings of the people demonstrates that, although there has been a depression in trade conditions of late, there is nothing in the financial situation to cause much apprehension. The local business men are showing no hesitancy in venturing into new projects or enterprises, which, together with the investment of American and English capital in the timber and mineral areas of the island, would appear to show a healthy state of affairs and a most promising future for the colony.

There were remaining on the register on December 31, 1908, 3,289 sailing vessels, representing a total of 131,968 net tonnage, and 66 steam vessels giving a total of 15,218 net tons. During the fiscal year ended June 30, 1908, there were 1,217 sailing vessels totaling 99,495 tons that entered at ports in the colony. Of this number 63 vessels were American, with a combined tonnage of 5,479 and crews totaling 914 men. The steam vessels entered numbered 765, representing a total tonnage of 883,140, of which none belonged to the United States.

The manufacture of lumber is on the decline in Newfoundland. At the end of 1908 there were not so many sawmills in active operation as at the close of the preceding year. The value of the forests of Newfoundland lies principally in the suitability of its timber for pulp wood, and for this reason individuals and corporations having timber areas will utilize the wood for pulp in the manufacture of paper, as more profitable returns are assured. There was a decrease in the government's revenue from crown lands of \$12,707. This was largely due to the failure of persons holding timber limits on lease to pay the rental, and also of others to pay the royalty on lumber cut.

DECREASE IN EXPORTS OF FISHERY PRODUCTS.

As reports have not yet been given out by the marine and fisheries department, it is impossible to give a detailed report of the fisheries for 1908. However, the total value of exports of fish and fish products, including sealskins, amounted to \$9,798,350, as compared with \$10,058,052 for 1907, a decrease of \$259,702. This is accounted for principally by a reduction in the price of codfish and a decrease in the exportation of sealskins and seal oil.

The Newfoundland seal fishery during March and April, 1908, was poor in its returns as compared with several preceding years, and was attended with some mishaps, including the loss of three steamships. The steamer *Panther* was lost on March 22, and the steamer *Walrus* was lost on April 3 during a heavy snowstorm. The crews of both ships were saved and taken on board of other steamers. The two vessels were in good positions to secure large cargoes of seals when they went down. On April 4 the steamer *Grand Lake* one of the best of the sealing fleet, went to the bottom with 19,600 prime young seals on board. The crew of 203 men barely escaped with their lives when the accident occurred, but were rescued by the immediate action of the master and crew of another steamer near by. It was an exceptionally hard spring for sealing, as the ice packs at times were almost impenetrable, and all the vessels were more or less damaged. Deducting the three vessels lost, there were engaged in this fishery 18 steamers and 3,141 men. The total catch was 213,863 seals, weighing 4,342 tons, valued at \$375,442, against 245,061 seals, weighing 5,649 tons and valued at \$455,210 in 1907.

The seal oil is exported principally to the United Kingdom, Canada, and the United States. The total shipments of this product for the fiscal year ended June 30, 1908, amounted to 3,367 tuns (tun=306 gallons), valued at \$308,997. The number of skins shipped during the same period was 115,890, valued at \$140,137, of which the United States took 108,134, valued at \$131,918.

COD, HERRING, AND SALMON.

The catch of codfish exceeded that for several preceding years, and weather conditions were ideal for drying and curing. The quantity of fish cured amounted to about 1,700,000 quintals (quintal=112 pounds), and had the prices been the same as in previous years the fishermen and fish merchants would have realized profitable returns. The exports of codfish for the fiscal year ended June 30, 1908, amounted to 1,509,269 quintals, valued at \$7,820,092, against 1,422,445 quintals, valued at \$7,873,172 for the preceding year. This was an increase in quantity of 86,824 quintals, but a decrease in value of \$53,080. The figures for the calendar year 1908, if procurable, would probably show a greater increase in quantity of fish shipped and a greater decrease in value.

There was a slight decrease in the catch and exportation of herrings for 1908 from the preceding year. There were 46 American vessels engaged in the herring fishery in Bay of Islands during the fall of 1908, but the catch did not reach that of the preceding year by several thousand barrels. The export of herrings for the year ended June 30, 1908, showed a decrease of 11,392 barrels from 1907.

The lobster fishery for 1908 was somewhat better than 1907, and advanced prices were received. The salmon fishery fell short about 2,500 tierces, valued at \$35,000. The decrease is attributed to the absence of caplin bait inshore, weather conditions, and better protection at the mouths of rivers, which permits the fish to go up the streams without so much danger of being caught in nets. Nearly all the rivers were well stocked with salmon during the season of 1908, but owing to the dry season they were hard to catch.

The whale fishery for the season of 1908 was carried on on a smaller scale than in 1907. Four factories were closed down entirely. There were but 9 factories in operation during the season. The number of whales caught was 396, of which 345 were finbacks, 26 sulphur bottoms, 24 humpbacks, and one a sperm whale. While the number of whales caught in 1908 was 85 less than in 1907, the yield of oil was about 30 gallons more per whale. The total production of whale oil for 1908 amounted to 420,484 gallons, against 496,862 gallons for the preceding year. There was a decrease in quantity of oil shipped amounting to 254 tuns (tun=306 gallons), but an increase in value of \$1,346. There was an increase of 20 tons in quantity of bone exported, but a decrease of \$4,284 in value; an increase of 72 tons and \$1,240 in value of guano exported; also a decrease of \$85 in value of whale skins, as compared with the year ended June 30, 1907.

PRODUCTION OF COPPER AND IRON.

Complete data regarding the output, etc., of all the minerals of the island for 1907 are not obtainable, as only partial statistics have been kept since 1906.

Copper is the oldest of the mineral products of the island. At Tilt Cove, on Notre Dame Bay, there is a mine that has been operated more or less actively since 1864. The reported output of this mine in 1908 was 40,000 tons of ore, against 48,000 tons in the preceding year. This particular mine is reported to be nearly exhausted, but new lodes have been found at five other points on Notre Dame Bay. There is also copper on the west coast, near York Harbor, on the French shore to the north; on the south, near Placentia Bay; and at Quidi Vidi, within 3 miles of St. Johns. There are four mines being worked at present, viz, at Tilt Cove, York Harbor, Goose Cove in Hare Bay, near the northern extremity of the island, and at Quidi Vidi. The aggregate product of the mines since 1870 to December 31, 1908, was 1,319,594 tons of ore, 78,015 tons of regulus, and 5,418 tons of ingot copper. The total yield of metallic copper was about 140,000 tons. The total output of copper ore from all the mines for 1908 amounted to about 60,000 tons, valued at \$300,000.

There are but two iron mines worked in Newfoundland. These are located on Belle Isle, in Conception Bay. The ore of these mines is interstratified with the shales and sandstones which compose the structure of the island. There are said to be twelve layers of ore, ranging in thickness from 1 to 10 feet. The two largest layers, near the top of the section, are situated on the northern slope of the island, and occupy the segment of an ellipse. So accessible are these beds, and so little capping of rock or debris cover their outcrops, that nearly every ton of ore contained therein can be recovered.

The companies operating these two mines are the holders of large submarine areas, covering the ore deposit under Conception Bay, comprising nearly 362 square miles. Owing to the rapid diminution of the ore on the land area of one of the companies, it has during the past two years been driving out under the water, in order to reach its claim, which is situated three-fourths of a mile from the shore. Two main parallel drifts, commencing on the land and following the slope of the ore seaward, have reached within the company's boundary. In driving this slope the ore has been found to maintain its general

character throughout, and to increase both in thickness and in quality as the center of the trough is approached. The government geologist states in his report as follows:

I have taken some trouble to make an approximate estimate of the probable quantity of ore this entire trough may contain. By the aid of the dips and strikes of the strata it is possible to form a fair idea of the extent of the trough. Unless some unforeseen disturbances should occur cutting off the ore, or throwing it out altogether, and provided the ore bands maintain their thickness and regular stratified character throughout, a fairly reliable result can be arrived at. According to this mode of figuring, then, I find the trough should contain the enormous amount of 3,635,543,360 tons. Of course this estimate takes into account all the ore bands now known to exist on the island.

From the date (1895) of commencing work in these two mines to the end of 1908 there have been shipped to the United States, Canada, and Europe 7,000,000 tons of ore, and there are still available on the land area alone about 25,000,000 tons.

COAL DEPOSITS—SUPERIOR QUALITY OF SLATE.

The mineral possibly most desired in Newfoundland is coal, for the discovery of a good supply would undoubtedly make iron smelting practicable, whereas the ore is now shipped to other countries. It would also mean a reduction in the price of fuel for homes, which has for the past year ranged from \$6.80 to \$7 per ton for soft and \$8.75 to \$9 for hard coal.

The government geologist says in his report regarding coal deposits that there are many poor seams, but there are also many good ones. He also states:

Much still remains to be accomplished before the full extent and importance of this promising coal field is thoroughly worked out; but enough is known to warrant the assumption that here we have a possible asset of great future value to the country. I would not at present attempt even an approximate estimate of the amount of available coal, but have no hesitation in pronouncing the opinion that it must amount to many millions of tons.

The slate of Newfoundland is of superior quality and has been pronounced equal to that of Carnarvonshire, Wales, by those competent to judge. It also realizes the highest price in the English market of any imported. It is very abundant, and is found in large deposits both in the eastern and the western portions of the island. A large quantity of slate has been produced each year from the quarries in Trinity Bay for a number of years. A new quarry has recently been opened on the Humber Arm, Bay of Islands, and the slate therefrom is said to be superior to that of Trinity Bay. So far no attempt has been made to utilize this article otherwise than for roofing purposes, but it is said to be fully suitable for all purposes to which slate is applied. From 1865 to the end of 1908 nearly 154,000 squares of roofing slate were manufactured at the quarries. Only a small percentage of this was used locally, the remainder being shipped to the English market, where it was readily sold. Most of the slate is of a dark purple color, but there is some of a reddish and some of an unfading pea green.

There are several large deposits of chromite chiefly situated some distance from the seacoast. None of this mineral has been mined with the exception of about 6,000 tons of high-grade ore, which were raised and shipped between the years 1895 and 1899.

VARIETY OF MINERALS—ORE SHIPMENTS—LEASING OF CLAIMS.

There are large deposits of iron pyrites. Nickel, antimony, lead, manganese, gold, and silver are also minerals of the island; besides there are a number of varieties of building and ornamental stone, such as granites, sandstones, freestones, limestones, soapstones, marble of different shades of color, including pure white statuary, and other stones. There are areas of pipe, brick, fire, terra cotta, and china clays, and a variety of other substances that some day may from an economic and commercial standpoint be of importance to the colony.

The shipments of minerals to other countries during the year ended June 30, 1908, were as follows: Barytes to the United States, 1,800 tons, valued at \$9,000; copper ore to the United Kingdom, 23,529 tons, valued at \$120,270, and to the United States, 30,538 tons, valued at \$155,690; iron ore to the United States, 90,125 tons, valued at \$99,138; to the United Kingdom, 53,700 tons, valued at \$59,070; to Canada, 684,865 tons, valued at \$753,351, and to the Netherlands, 114,770 tons, valued at \$126,247; pyrites to the United States, 20,451 tons, valued at \$135,186.

The mining policy of the government is very liberal. The staking of a claim gives a year's license to the discoverer for an area a mile long by half a mile wide on the payment of a fee of \$10 and the registration of the claim within two months of the time it was staked. The discoverer may also register adjoining claims without staking, provided he pays an additional fee for each location. At the end of the first year the discoverer may obtain a ninety-nine-year lease of his claims on the payment for each claim of a yearly rent of \$20 for the first year, \$30 for the next five years, \$50 for five years following, and \$100 for the remainder of the lease, the rental to be paid yearly in advance. Any lessee of a mining location may obtain a grant in fee simple by expending during the first five years of his lease \$6,000 in surface and subterranean mining and by the excavation of 10,000 cubic feet of rock on each location of 320 acres.

FOREIGN TRADE.

The total value of the foreign trade of Newfoundland for the fiscal year ended June 30, 1908, amounted to \$23,331,880, against \$22,527,201 for the preceding year, an increase of \$804,679. The imports into the colony increased from \$10,426,040 in 1907 to \$11,516,111 in 1908, a gain of \$1,090,071; the exports, on the other hand, declined from \$12,101,161 to \$11,815,769, a decrease of \$285,392. There was a decrease in imports from Belgium, British West Indies, France, Norway, Portugal, and the United Kingdom, and an increase in those from Canada, Ceylon, Denmark, Germany, Greece, India, the Netherlands, Spain, and the United States. There was an increase in exports to Canada, Costa Rica, France, Germany, Greece, the Netherlands, Spain, and Malta, and a decrease in those to Argentina, Belgium, Brazil, British West Indies, Denmark, Italy, Madeira, Portugal, the United Kingdom, and the United States.

The statement appearing at the top of page 131 shows the imports and exports, by countries, during the fiscal years ended June 30, 1907 and 1908.

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$3,447,359	\$3,859,892	\$1,394,269	\$1,177,709
Argentina.....			149,940	128,550
Belgium.....	47,204	42,733	102,883	12,376
Brazil.....			2,063,444	2,017,806
British West Indies.....	286,617	265,572	430,462	422,715
Canada.....	3,669,098	4,257,647	1,611,480	1,863,784
France.....	17,975	14,407	4,078	51,370
Germany.....	31,259	44,929	189,662	294,159
Greece.....	23,138	42,863	170,885	200,934
India.....	5,239	17,599		
Italy.....			1,331,518	1,200,150
Netherlands.....	33,497	36,968	146,809	150,702
Portugal.....	46,104	22,938	1,841,968	1,733,346
Spain.....	75,322	133,582	994,303	1,174,196
United Kingdom.....	2,669,934	2,668,802	1,492,795	1,209,428
All other countries.....	73,294	108,179	176,665	178,545
Total.....	10,426,040	11,516,111	12,101,161	11,815,769

PRINCIPAL ARTICLES OF IMPORT AND EXPORT.

In the following comparative statement are shown the principal articles of import into and export from Newfoundland for the fiscal years ended June 30, 1907 and 1908:

Articles.	Imports.		Articles.	Exports.	
	1907.	1908.		1907.	1908.
Coal.....	\$565,208	\$648,391	Wine and spirits.....	\$106,369	\$91,161
Cottons, woollens, etc.....	1,540,921	1,428,742	Copper, ingots, etc.....	278,950	275,960
Flour.....	1,529,029	1,760,664	Fish:		
Hardware, etc.....	861,233	724,617	Cod.....	7,873,172	7,820,658
Leather, and manufactures of.....	350,425	346,576	Herrings.....	406,369	403,658
Molasses.....	275,127	268,403	Lobsters.....	383,767	418,606
Provisions:			Salmon.....	73,660	41,354
Beef, salted.....	305,971	339,330	Lumber.....	326,581	236,914
Butter.....	116,272	111,137	Oils:		
Pork, salted.....	431,418	627,465	Cod.....	358,715	353,902
Salt.....	100,373	141,474	Cod, refined.....	31,735	25,280
Sugar.....	147,502	198,511	Seal.....	447,967	308,997
Tea.....	124,548	187,898	Whale.....	173,011	174,254
Tobacco, and manufactures of.....	116,168	131,424	Ore: Iron and iron pyrites.....	1,074,810	1,172,992
			Skins, seal.....	194,300	140,137

EXPORTS TO THE UNITED STATES.

The value of the exports to the United States, including returned goods, declared at St. Johns during the calendar year 1908 was \$721,512, against \$874,485 during 1907. The articles and their values for 1908 were as follows:

Articles.	Value.	Articles.	Value.
Berries, fox.....	\$22,597	Ore:	
Fish:		Copper.....	\$8,403
Cod.....	238,633	Iron.....	48,728
Herrings.....	7,057	Skins, seal.....	114,626
Lobsters.....	1,302	Wood, manufactures of:	
Other.....	1,468	Boards and planks.....	17,006
Fertilizer, guano.....	44,467	Laths.....	5,256
Furs, raw.....	1,441	All other articles.....	9,668
Junk.....	13,477	Total.....	700,643
Oils:		Returned American goods.....	19,869
Cod.....	153,263	Grand total.....	721,512
Cod-liver.....	5,503		
Seal.....	4,799		
Whale.....	2,950		

ST. PIERRE ISLAND.

REVIEW OF TRADE CONDITIONS.

By CONSUL DOUGLAS JENKINS, ST. PIERRE.

Though the average catch per vessel in 1908 was unusually high, the number of St. Pierre Island schooners engaged in cod fishing on the Grand Banks will be less in 1909 than in the preceding season, and thus the rapid disintegration of the fishing fleet of this French colony which began in 1903 continues. St. Pierre is almost entirely dependent upon its fisheries, and this decline in its principal industry has had a depressing effect on industrial conditions in the colony.

In 1902 there were 207 vessels fitted out in St. Pierre for the deep-sea fisheries. In 1907 the number had fallen to 71 schooners, while last year there were only 52. This season (1909) the fleet will number only 44 vessels. In former years 2,500 men were engaged in manning the fishing fleet, while this year less than 900 will be so employed. These facts explain the shrinkage in the imports and exports of the colony and the decline in population, which have become very evident in the last five years.

DECLINE IN THE FISHERIES—TRADE OF THE COLONY.

There have been years when the catch of the fisheries of St. Pierre has been worth more than \$2,000,000. In 1908, however, the catch was worth only \$346,800, the smallest in the history of the colony. In 1906 the total imports of all articles amounted in value to \$1,003,870, in 1907 they were \$969,148, and in 1908, \$970,810.

In 1902, which seems to have been the last prosperous year, the total foreign trade of the colony amounted to more than \$4,000,000, while in 1908 it amounted to only \$2,191,857. The greatest decline was in imports directly from France, but Canada and Newfoundland showed small increases, similar to that of the trade with the United States, the imports from which country amounted to \$125,320 in 1906, \$128,161 in 1907, and \$149,887 in 1908. The imports from the United States consist principally of foodstuffs, rubber goods, tobacco, and a small quantity of hardware and cooking utensils. American sewing machines are also sold here. About the only thing exported from St. Pierre is dry salt fish. The bulk of it goes to France on account of a bounty paid by the French Government. Practically nothing is sent to the United States from St. Pierre. In 1907 the exports to the United States were \$4,097. In 1908 the exports were \$3,788, and consisted of salt fish, junk, and empty bottles.

France sends to St. Pierre about 50 per cent of the total imports of the colony, while Canada comes next with about 25 per cent, and the United States third with 15 per cent. Goods from France pay practically no duty, Canada enjoys a preferential tariff. Foodstuffs from the United States, except sugar, pay but a small duty, but the tariff on canned goods and manufactured articles generally is that of the general customs tariff of France.

NUMBER OF FRENCH VESSELS IN FISHING WATERS.

A combination of unfortunate circumstances seems to have contributed to the present commercial condition of the colony. Chief among these is the rapidly growing fleet of fishing vessels coming each year directly from France to the Grand Banks. By using larger and better vessels than in former years, the French find it cheaper to fit out in the home country directly for the banks than to use the colony as a base for their schooners. Everything in the way of supplies can be secured at less expense in France than in St. Pierre. The colony's only real advantage is its nearness to the fishing, and even this seems to have been overcome by the use of steam trawlers and larger and better equipped sailing vessels.

In 1907 the number of vessels fitted out for the bank fisheries coming directly from France was 202. The following year the French fleet proper had grown to 229 vessels, including 6 steam trawlers. On the other hand, the colony's fleet had lost 18 schooners. For a time it was thought that the trawler fishing craft would speedily revolutionize deep-sea fishing methods. Their number is increasing on the banks, but not so rapidly as was expected. In 1907 France had 4 trawlers on the banks and in the following year only 2 more had been added to the fleet. There will probably be 8 or 10 such vessels this season.

Though St. Pierre is a fishing colony, the men who go to the banks each year do not come from the colony, but have to be brought out from France just before the season opens. They come in chartered steamers, and return each fall at the close of the fishing season. The high cost of living in St. Pierre and the trying winters do not encourage permanent immigration to the colony.

COMMERCIAL AND INDUSTRIAL CONDITIONS.

The fact that St. Pierre has no agricultural or mineral resources, the high customs duties on goods imported from countries nearest and most accessible to the colony, the advancing cost of living, and the decline of the fisheries have led many of the laboring class to emigrate to Canada or the United States, while scores of merchants and shipping owners have closed out their interests in the colony and gone to France. These things and heavy port charges are tending to drive American and Canadian fishermen, who would naturally use St. Pierre's excellent harbor as a rendezvous for the Grand Bank fleets, to seek Sydney and other Nova Scotian ports. The failure of these foreign vessels to visit the port as frequently as in the past is in itself a considerable loss commercially to the business of the colony. In this connection the loss of the "French Shore" on the Newfoundland coast and the consequent advance in the cost of getting bait for the St. Pierre fleet is to be considered.

Among the small enterprises in the colony which are connected with or dependent upon the fisheries are a dory factory, a paint factory, a large bakery and biscuit-making establishment, and a factory for making oilcloth suits for fishermen. These concerns have all been more or less injured by the decline in the commercial life of the colony, but still continue operation. Two patent slips,

both of American design, capable of accommodating the largest fishing vessels, form a valuable adjunct to the facilities of the port.

PARCELS POST AND CABLE STATIONS.

It is evident that there is little or no possibility of extending American trade in the colony, certainly not until there is some improvement. There are no Americans residing in the colony, except the consul and his family, though an American house maintains a branch here. Formerly there were two such houses in St. Pierre, but one withdrew its interests a year ago. Salesmen from American firms occasionally visit St. Pierre in summer, and, I am informed, are well received. Americans and American products are peculiarly popular in St. Pierre, and were business conditions better and the place larger the demand for American goods would be considerable.

St. Pierre enjoys a splendid parcels post rate with France, but goods coming from the United States and other countries must pay the regular rate of the International Postal Union. It is impossible to buy a postal money order here except upon some office in France or the colonies.

There are two cable stations in St. Pierre, the Anglo-American and the French Cable Company. Mail facilities are limited to two round trips a month made by the steamer *St. Pierre-Miquelon* between the colony and Nova Scotia. This vessel is subsidized by the French Government for carrying the mails. It lands at Sydney, Nova Scotia, in summer, but goes to Halifax in winter on account of the former harbor being blocked with ice. The steamer is a regular passenger boat, and though rather small, is reasonably comfortable and quite seaworthy.

IMPORTS AND EXPORTS.

The total foreign trade of St. Pierre Island for 1908 was valued at \$2,191,857, of which the imports amounted to \$970,810 and the exports to \$1,221,047, against imports of \$969,149 and exports of \$1,236,999 in 1907. The imports and exports, by countries, during the past two years were as follows:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$128,161	\$149,887	\$4,097	\$3,788
Canada.....	230,214	243,241	53,477	43,991
France and colonies.....	474,508	475,211	1,136,444	1,060,518
Newfoundland.....	37,730	25,676	2,549	17,806
All other countries.....	98,536	76,796	40,432	64,945
Total.....	969,149	970,810	1,236,999	1,221,047

The total imports and their value and those from the United States during 1908 are shown in the table on page 135.

Articles.	Total Imports.	From United States.	Articles.	Total Imports.	From United States.
Animals, live.....	\$40,737	.....	Leather goods and furs.....	\$33,574	\$703
Animal products.....	80,943	\$21,473	Liquors and wines.....	91,801	359
Arms and ammunition.....	3,946	841	Lumber.....	42,335	6,632
Coal.....	65,767	15,668	Machinery and hardware.....	54,021	2,783
Cotton and woolen goods, etc.	102,845	8,044	Oakum.....	26,536	354
Drugs and medicines.....	550	58	Paper, books, etc.....	21,238	722
Earthenware.....	3,429	456	Paints.....	7,915	992
Fish for bait, etc.....	18,012	146	Ropes, cables and lines.....	31,439	7,123
Flour, etc.....	63,753	45,814	Salt, etc.....	81,884	291
Fruits, etc.....	6,433	1,155	Tobacco, tea, coffee, sugar, etc.	79,319	26,612
Furniture.....	5,865	320	All other articles.....	99,205	8,831
Glassware.....	4,394	346			
Lead and other metals.....	4,218	165	Total.....	970,810	149,887

MEXICO.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL ARNOLD SHANKLIN, AND FROM MEXICAN OFFICIAL SOURCES.

Mexico, with its vast resources, its wonderful climate, and its unlimited opportunities, is forging ahead, and, as all arteries respond to the pulsations of the heart, so do all other parts of the Republic respond to the impetus which goes out from its capital city.

Tourists come by the thousands to visit this beautiful city and take many side trips to the various ruins, the great snow-capped Popocatepetl and Ixtaccihuatl, and to see the country wherein are so thoroughly blended the old and the new. For many years Mexico has been the mecca of the tourists who wished to escape the rigor of northern winters, and now those who wish to avoid the terrific heat of the summer months in certain parts of the United States come here, and the city has become an all-year-round resort.

Besides being the seat of the Government, Mexico City has the great banking institutions and the large business houses of the country, and from here are operated the great lines of railroads which cross and recross the Republic. It is the great distributing point of the country.

PROSPERITY CHECKED—RETRENCHMENT.

After fourteen years of constantly increasing prosperity Mexico found herself affected at the opening of 1908 by the financial depression and general industrial stagnation experienced by the commercial and industrial world at large. Apprehension as to the future was further heightened by unsatisfactory harvests during the year, and by the low price of silver, the most important element in the mineral wealth of Mexico. Conditions abroad reduced the demand for Mexican products and therefore the purchasing power of the country, resulting in lessened imports and exports.

Under these conditions the minister of finance in presenting to Congress estimates for revenue and expenditures for the fiscal year 1909-10, evidently considered it prudent to make them lower than for the preceding fiscal year, believing, no doubt, that the effects of the depression in trade would still be felt during the year covered by these estimates. The normal revenue for the year he estimated at \$97,261,000 and the expenditures \$96,935,400. The estimates are,

for receipts, \$6,124,000, and for expenditures \$6,268,430, less than the corresponding estimates for the fiscal year 1908-9, and would leave in the treasury a surplus of \$325,600. All values in this general review, it will be noted, are stated in United States currency, conversion from Mexican currency being made on the basis of 50 cents for each peso. Some idea of the effect of the financial depression on the commerce of Mexico may be gained by a comparison of the imports and exports for a given period during 1908 with a corresponding period before the crisis occurred. The imports during the third quarter of the calendar year 1908 amounted to \$35,039,520, a decrease of \$25,896,920 from the corresponding quarter of 1907. The total exports for the same quarter of 1908 were \$53,148,330, a decline of \$11,647,710 from the corresponding quarter of 1907, a total difference in the trade between the two quarters of \$37,544,630.

FOREIGN TRADE OF MEXICO.

The value of the imports into and exports from Mexico, exclusive of gold and silver, is shown in the following table, covering the fiscal years 1906-7 and 1907-8 and the calendar year 1908, the figures for the first two years having been taken from Mexican official publications while those for 1908 were furnished by the consulate-general in Mexico City:

Articles.	1906-7.	1907-8.	1908.
IMPORTS.			
Animal products.....	\$9,633,090	\$8,632,732	\$7,253,553
Arms and explosives.....	1,963,945	1,825,379	1,313,114
Beverages, spirituous, fermented and natural.....	3,648,115	3,581,946	3,023,228
Chemical and pharmaceutical products.....	4,706,500	5,174,525	4,645,067
Machinery and apparatus.....	13,896,930	14,324,012	11,890,569
Mineral products.....	41,251,090	34,825,629	26,218,475
Paper, and manufactures of.....	3,006,230	3,067,019	2,520,790
Textiles, and manufactures of.....	12,880,510	15,319,615	11,085,875
Vegetable products.....	16,872,930	16,334,138	12,291,516
Vehicles.....	4,801,660	3,705,363	2,210,345
All other articles.....	4,761,189	5,088,474	2,374,009
Total.....	116,114,789	110,878,732	83,778,541
EXPORTS.			
Animal products.....	5,575,960	4,829,796	5,899,574
Manufactures.....	1,863,245	1,504,711	.....
Mineral products.....	80,123,000	79,204,664	69,127,745
Vegetable products.....	35,905,185	35,102,468	33,989,048
All other articles.....	521,615	728,461	3,653,764
Total.....	124,009,005	121,370,100	112,670,131

In the following table, showing the imports by countries of origin, the values have been made up from the same sources as those of the preceding table:

Country.	1906-7.	1907-8.	1908.
United States.....	\$73,196,442	\$59,000,993	\$43,613,239
Africa.....	118,069	112,303	9,035
Argentina.....	24,668	174,810	12,473
Australia.....	32,541	162,701	(*)
Austria-Hungary.....	657,844	800,144	663,622
Belgium.....	1,568,315	1,621,374	1,091,490
Brazil.....	4,506	5,699	7,232
British Honduras.....	7,044	11,863	(*)
Canada.....	228,838	410,873	(*)

* Not given separately in consul-general's report.

Country.	1906-7.	1907-8.	1908.
Chile.....	\$80,286	\$59,625	\$130,626
China.....	144,069	103,704	111,500
Colombia.....	8,202	15,657	12,430
Cuba.....	88,781	68,366	63,244
Denmark.....	42,475	29,529	28,479
Ecuador.....	47,978	72,489	76,587
France.....	8,658,832	9,890,104	7,018,430
Germany.....	12,018,479	14,160,387	10,401,036
Greece.....	17,138	14,953	14,802
Guatemala.....	4,298	4,425	7,324
Honduras.....	3,355	5,848	2,689
India.....	578,768	511,345	(a)
Indo-China.....	7,114	10,313	(a)
Italy.....	938,230	980,835	907,606
Japan.....	361,901	468,118	501,397
Netherlands.....	281,890	273,507	220,446
Norway.....	177,790	175,888	208,292
Panama.....	350	6	3,078
Persia.....	2,988	3,154	8,995
Peru.....	9,084	8,422	9,263
Portugal.....	153,282	71,604	45,428
Russia.....	114,112	455,131	421,613
Salvador.....	4,980	37,282	28,280
Santo Domingo.....	4,036	2,247	5,232
Spain.....	3,968,993	3,761,159	3,181,219
Sumatra.....	18,703	19,177	19,084
Sweden.....	285,781	288,106	154,870
Switzerland.....	492,937	705,652	659,939
Turkey.....	25,137	14,634	18,768
United Kingdom.....	11,725,636	16,372,486	14,066,888
Uruguay.....	3,235	2,640	4,970
Venezuela.....	13,406	8,908	25,904
All other countries.....	3,746	1,771	3,062
Total.....	116,114,789	110,878,732	83,778,541

* Not given separately in consul-general's report.

EXPORTS BY COUNTRIES.

Exports, exclusive of gold and silver, by countries, are shown in the following table for the fiscal years 1906-7 and 1907-8, derived from Mexican official sources, and for the calendar year 1908, as supplied by the consulate-general in Mexico City:

Country.	1906-7.	1907-8.	1908.
United States.....	\$37,904,562	\$85,061,794	\$80,108,630
Austria-Hungary.....	1,778	9,532	7,193
Belgium.....	2,664,252	3,018,338	3,186,364
British Honduras.....	149,567	169,422	(a)
Canada.....	228,340	93,506	(a)
Chile.....	600	13,554	6,667
Cuba.....	1,186,090	1,030,551	793,188
Denmark.....	1,111	55	55
France.....	4,027,486	6,196,915	6,014,976
Germany.....	10,054,832	11,190,120	8,916,060
Guatemala.....	241,235	228,790	239,232
Italy.....	18,983	24,478	24,878
Netherlands.....	26,925	22,255	24,561
Nicaragua.....	1,081	140	3,511
Panama.....	35,832	7,953	4,374
Peru.....	14,790	1,845	17,265
Russia.....	25,533	9,752	6,972
Salvador.....	2,533	15,113	17,254
Spain.....	1,494,205	1,165,533	715,198
United Kingdom.....	15,937,012	13,107,469	12,579,197
All other countries.....	3,258	2,925	4,576
Total.....	124,009,005	121,370,100	112,670,131

* Not given separately in consul-general's report.

EXPORTS OF TREASURE.

Exports of gold and silver in the form of bullion, coin, ore, and compounds are given from official figures of the Mexican Government for the fiscal years 1906-7 and 1907-8:

Articles.	1906-7.	1907-8.	Increase (+) or decrease(-).
Gold:			
Bullion.....	\$9,452,820	\$11,548,813	+\$2,096,993
Coin—			
Foreign.....	5,035	2,523,297	+ 2,518,262
Mexican.....	14,995	—	— 14,995
Ore and gold compounds.....	2,464,000	1,888,540	— 575,460
Total.....	11,936,850	15,960,650	+ 4,023,800
Silver:			
Bullion.....	31,595,620	34,609,770	+ 3,014,150
Coin—			
Foreign.....	80,910	82,519	+ 1,609
Mexican.....	12,260,960	5,327,537	— 6,933,423
Ore and silver compounds.....	5,993,395	6,496,558	+ 493,163
Total.....	49,930,885	46,506,384	— 3,424,501
Grand total.....	61,867,735	62,467,034	+ 599,299

The effect of the general depression in trade began to be felt in Mexico toward the close of 1907, and from that time on it shows in the statistics of both imports and exports. It is worthy of note that although the total imports and exports decreased in the years under comparison, most of those European countries doing an important trade with Mexico held their own fairly well, some of them even increasing the volume of their trade. Many of the countries of Central and South America, as well as Japan and Sumatra, increased their exports to Mexico. The United States, however, suffered, particularly as to exports to Mexico, a considerable loss of trade.

ACTIVE PARTICIPATION OF UNITED STATES IN COMMERCE.

While it is true that the large dry-goods and fancy-goods stores are owned by the French and the hardware stores by the Germans, American merchants enter quite largely into the wholesale and retail grocery business here with great success, and other American interests centered here are large, more than \$700,000,000 of American capital being invested in Mexico. The great merger lines of the railroads known as the National Lines of Mexico and capitalized at \$230,000,000, though owned by the Mexican Government, are under the direct personal management of Americans, as also are banks with a capitalization of \$1,775,000, deposits of more than \$8,000,000, and surplus and undivided profits of more than \$600,000. A large packing company, financed and managed by an American and with a capitalization of \$22,500,000, operates under a concession from this Government, and ships great quantities of its products in its own cold-storage ships. A number of newspapers and magazines are published here in English, including the Mexican Herald, a morning daily, and the Mexico Daily Record, an afternoon paper, with the Anglo-American, a weekly publication, and the Mexico Mining Journal, issued monthly.

A United States shoe manufacturing company, with a capitalization of \$300,000 and assets of \$600,000, does a large business here, and an American type founders company has a large branch in this city and branches in other Mexican cities, as has also a sewing machine company. Among the railroads managed and financed by Americans is the Kansas City, Mexico and Orient Railway Company and the Pan-American Railroad.

The Americans who have their interests here live much as they would at home, as is shown by the American, University, and the Country clubs, in which Americans strongly predominate. In that part of the city known as the American colony are to be found beautiful homes of thoroughly American type. In this section it is estimated that within the past few years several millions of dollars have been invested.

MINERAL AND AGRICULTURAL PRODUCTS.

The mines of Mexico are her great source of wealth. The most conservative reports show that during the fiscal year 1907-8 they produced: Gold to the value of \$19,048,000; silver, \$42,723,500; copper, \$12,400,000; coal, \$3,500,000; lead, \$2,700,000; zinc, \$450,000; and all other metals, \$1,250,000, the total for the year having been \$82,071,500.

The output of mineral oils during the fiscal year 1907-8 was greater than ever before and amounted to about \$1,000,000. During 1908 much work was done in inspecting the petroleum deposits in the Republic of Mexico. The oil fields cover an area of something over 800,000 square miles, and the output was more than double that of 1907.

The values of the chief products of the soil during the fiscal year were as follows: Corn, \$50,000,000; cotton, \$17,000,000; henequen, \$16,000,000; wheat, \$13,000,000; sugar, \$13,000,000; beans, \$6,000,000; coffee, \$8,000,000; and woods, \$5,000,000. The increase in the cultivation of rubber, especially during the past eight years, has been very great, the output during 1908 having been thirty times as great as that of 1900.

RAILWAY PROGRESS AND EARNINGS—SHIPPING INTERESTS.

Mexico is adding daily to her 15,000 miles of railway lines; the Kansas City, Mexico and Orient is building rapidly through to the west coast; the Pan-American will again go forward under the personal management of an American, and the Southern Pacific is extending its lines through on the west coast and will build across the Sierra Madres into Chihuahua.

During the fiscal year 1907-8 the seven principal railways of the Republic together carried 10,747,128 passengers, and the gross earnings were \$8,218,245, as compared with 10,000,031 passengers, gross earnings \$7,760,565, in 1906-7. There were 10,042,144 tons of freight transported by these railways during 1907-8 as compared with 9,124,040 during the preceding year. The gross earnings on freight for 1906-7 were \$26,431,770, and for 1907-8, \$28,966,575. The largest rate of increase was shown by the Tehuantepec National Railway which is now carrying great quantities of freight across the Isthmus.

The total number of vessels entering Mexican ports during the fiscal year 1907-8 was 10,423 of 11,215,121 tons, of which 7,493 of 4,471,317 tons were engaged in the coastwise trade and 2,930 of 6,743,804 tons in international trade. Of the latter there were 1,855 entries with cargoes shipped directly for Mexico and 1,075 which called at intermediate ports on their voyages.

The number and tonnage of all steam and sailing vessels engaged in international trade that entered the ports of Mexico during 1907-8 are shown by countries in the following table:

Country.	Steam vessels.		Sailing vessels.	
	No.	Tons.	No.	Tons.
United States.....	665	1,866,158	167	57,924
Cuba.....	51	98,126	1	5
Denmark.....	18	57,234	11	5,602
France.....	72	408,738		
Germany.....	300	1,220,611	17	33,722
Italy.....			4	1,678
Japan.....	2	13,534		
Mexico.....	225	182,420	56	2,084
Netherlands.....	5	13,198	2	461
Norway.....	299	511,775	53	31,586
Russia.....	2	4,574	30	9,576
Spain.....	47	244,253	3	663
Sweden.....	15	20,566	5	1,400
United Kingdom.....	613	1,922,159	267	35,748
Total.....	2,314	6,563,346	616	180,468

ACAPULCO.

By CONSUL MAXWELL K. MOORHEAD.

This consular district consists of the State of Guerrero and has an area of about 25,000 square miles, or a little more than West Virginia, and a population estimated at 500,000, a density of 20 persons to the square mile.

For commercial purposes the State may be divided into two distinct sections. The Pacific coast region, of which Acapulco is the chief port and distributing center, is made up of a flat, narrow, strip of land almost at sea level running in a southeasterly direction, about 350 miles long and averaging 20 miles in width, comprising about one-third of the entire State. The Sierra Madre Mountains follow the same general direction as the coast, shutting off the coast region from commercial intercourse with the interior, since there are no railways or good roads through them, and they rise rather abruptly to a height of 8,000 to 10,000 feet and then descend to a broken plateau of 4,000 feet on which is located Chilpancingo, the capital of the State. This region to the east of the mountains is commercially tributary to Mexico City, as the Cuernavaca branch of the Mexican Central Railway connects the capital of the Republic with the town of Rio Balsas, which is connected with Chilpancingo by a good wagon road, thus making transportation comparatively cheap and rapid.

The coast region is, on the whole, very fertile with frequent small rivers and lakes so that the land could be irrigated cheaply. Cotton, corn, rice, and tropical fruits such as limes, oranges, bananas, pine-apples, cocoanuts, and mangoes, grow in abundance. However, no

attempt has been made to cultivate these products by modern methods. Most of the land is rented out or owned by small proprietors who produce only sufficient for their own use. The great drawback to the cultivation of this region is the lack of means of transportation. At Acapulco two spurs of the Sierra Madre Mountains come down to the coast, completely surrounding the city, making transportation very difficult and expensive, but at the same time these mountains have formed one of the finest landlocked harbors on the entire Pacific coast of America. A railroad built along the coast would make this one of the richest agricultural sections of Mexico, as by means of irrigation and modern methods of culture the land could be made to produce at a profit great quantities of bananas and other tropical fruits for export to the United States; mahogany and dye woods could be brought from the mountains and coffee could be produced on the highlands. [Samples of cotton, rice, ajonjoli, and woods have been forwarded by the consul and can be inspected at the Bureau of Manufactures.]

FRUIT-RAISING DEVELOPMENT.

The Mexican-Pacific Company, of Seattle, Wash., owns about 250,000 acres 25 miles northwest of Acapulco upon which banana plants, imported from Costa Rica and Panama, are to be planted. Irrigation from the Coyuca River is being considered. Only about 40,000 acres of the land are suitable for bananas, as the rest of the soil is too sandy. Pineapples, cocoanuts, limes, and other fruits are also to be cultivated. Ajonjoli, the seed of which is used for the manufacture of oil for soap making, grows in quantities on this land. The company has purchased from the receivers of La Dicha and Pacific Railroad Company, of New York, the material that was imported in 1907 for the construction of a railway from Marques Bay near Acapulco to La Dicha copper mine. This railway material, consisting of steel rails, ties, fish plates, etc., will now be used for a railway from Acapulco to the hacienda of the Mexican-Pacific Company as soon as the right of way can be secured from the Mexican Government. It is the intention to construct eventually a concrete pier in this harbor and to run a line of fruit steamers directly to Seattle. The first shipment of bananas will not be ready for at least eighteen months.

In October, 1908, an American company commenced the manufacture of citrate of lime at Savana, a small town near Acapulco, from the Mexican limes that grow in quantities in this section. Several shipments have already been made to New York and San Francisco with considerable success.

The only other new industry commenced during 1908 was an ice plant which began operations in December. This plant has a capacity of 1,000 kilos (2,204 pounds) daily. Ice is now sold for 3 cents a kilo (2.2 pounds). The machinery was imported from the United States.

Acapulco is a small city of 4,500 inhabitants and is important only as being the coaling station of the Pacific Mail Steamship Company and as the distributing center of the whole coast of the State of Guerrero, with the result that the imports are larger than would be expected for such a small place.

THE FOREIGN TRADE.

The total imports into Acapulco for the six months ended December 31, 1908, were valued at \$153,315 gold. Of this amount the United States furnished 26.2 per cent; United Kingdom, 33.7 per cent; Germany, 12.7 per cent; France and Spain, 12.2 per cent; and all other countries 15.2 per cent.

The articles of import from the four leading countries during the six months ended December 31, 1908, were as follows:

Articles.	United States.	France and Spain.	Germany.	United Kingdom.
Arms and ammunition.....	\$5,811	\$249	\$406	.....
Chemicals.....	1,631	.....	.....	\$3,488
Foodstuffs and drinks.....	4,046	13,214	90	572
Iron and steel, manufactures of:				
Axes.....	4,431	.....	.....	.....
Hardware.....	1,644	.....	573	97
Machines and machinery.....	8,734	.....	90	5,914
Nails.....	695	.....	196	.....
Pipe.....	611	.....	.....	.....
Wire.....	5,804	.....	.....	.....
Other.....	968	.....	4,261	335
Leather, manufactures of.....	143	1,078	642	.....
Oils and paints.....	551	.....	388	.....
Textiles.....	699	2,786	5,706	37,837
Wood, manufactures of.....	3,575	668	1,740	471
All other articles.....	899	855	5,437	3,096
Total.....	40,242	18,850	19,529	51,809

HOW THE UNITED STATES COULD GET MORE TRADE.

The United States, on account of its geographical position and its cheap transportation to the west coast of Mexico, should be able to deliver merchandise in Acapulco at a better rate than can be done from Hamburg and Liverpool and could have more than it has of the imports. The bulk of the imports from England consist of cotton fabrics, handkerchiefs, and other textiles. American exporters could with a little effort get the larger share of this trade. But this can not be done by simply soliciting trade by means of catalogues printed in English and by cash terms f. o. b. New York. Correspondence must be in Spanish, weights and measures in the metric system, and credit of at least sixty days after arrival of goods in Acapulco should be granted. Terms should also be c. i. f. Acapulco and not f. o. b. New York or other American points. It is much easier for the American exporter to obtain the freight and insurance rate from the United States than it is for the local purchaser. Through bills of lading are now obtainable from New York to Acapulco, via Panama or the Isthmus of Tehuantepec, and from San Francisco or Seattle by direct steamers.

England and Germany have obtained their trade on this coast by means of traveling salesmen, who bring complete lines of samples and who speak Spanish fluently, and by granting six to eight months' credit. During 1908 not one American salesman called at this consulate and, it is said, only one came to Acapulco. Not being able to speak Spanish, having no samples, and demanding cash before shipment, he made no sales.

EXPORTS TO UNITED STATES AND OTHER COUNTRIES.

The Mexican custom-house here shows exports (which include goods in transit) to all countries in 1908 valued at \$195,923, of which articles worth \$116,882 went to the United States, \$65,780 to Germany, \$659 to Canada, and \$12,602 to Central America. The leading articles shipped to the United States and their values were as follows: Cigars, \$6,802; coffee, \$19,689; coin, \$5,278; fruits, \$14,280; hides and skins, \$61,942; oil cake and meal, \$4,713; and rubber, \$1,251.

The value of the exports declared at the American consulate at Acapulco to the United States during 1908 was \$60,846, a decrease of \$36,235 and \$69,015, respectively, from 1907 and 1906. The reason for these large decreases is that no copper was exported in 1908 on account of the failure of La Dicha copper mine, and that a considerable quantity of hides was purchased by a Mexican firm in Puebla, thus diminishing the exports in that article. The articles exported in 1907 and 1908 and their values are shown in the following table:

Articles	1907.	1908.	Articles.	1907.	1908.
Citrate of lime.....		\$610	Oil cake.....		\$529
Coffee.....	\$4,126	162	Rubber.....		671
Copper.....	35,905		All other articles.....	\$165	1,033
Cotton-seed meal.....	744	4,069			
Fruits.....	15,443	11,976	Total.....	97,061	60,846
Hides and skins.....	40,698	41,776			

AGUASCALIENTES.

By CONSUL WALTER D. SHAUGHNESSY.

A review of the trade for 1908 in the district of Aguascalientes shows it was a year of general depression, not only financially, but in all lines of business and industries. The last two months appeared more encouraging, and greater activity is prophesied for 1909.

During the first nine months of the year there was a noticeable decrease in the shipments of copper and lead bullion to the United States. Owing to the low prices of metals that have prevailed since the panic of 1907, and to the increases in freight rates on ores, the low-grade mines were compelled to shut down all over the country, and very little ore was received at the smelters for conversion. The last three months of the year brought a renewal of activity, and a number of the mines are again in operation.

The amount of bullion declared at this consulate for export to the United States during 1908 was as follows: Copper, \$13,464,125, and lead, \$133,907.

AGRICULTURE AND STOCK RAISING.

In agriculture a combination of circumstances has brought about the depressed condition which was caused by the failure of the crops and tightness of the money market. Although the rains continued from June to October, the fall was not sufficient to fill the reservoirs, and consequently there was little water on hand for irrigating the wheat crop. The farmers would not plant, and the prospect for the immediate future is anything but promising.

The May wheat crop sold for \$18 to \$20 Mexican (Mexican dollar = 50 cents United States currency) per carga (271.8 pounds), and the supply on hand was disposed of at once. The bayou beans now raised in this State were originally imported from the United States, and have always been in great demand throughout the Republic. The crop in 1908 was a failure, and at the close of the year they sold at \$9.50 Mexican per hectoliter (2.83 bushels), with a prospect of an increase in price.

The scarcity of wheat and beans throughout the Republic made it necessary for the Mexican Government to reduce the tariff on these articles, which are now imported to supply the demand, and the prospect for a large importation from the United States is bright. The corn crop was only medium on account of the frost, and it sold at \$3.25 Mexican per hectoliter, with the prospect of lower prices, as good crops were reported in the southern part of the Republic. The chili crop was below the average, but on account of the depression and few demands from the other States it was offered at \$2.75 and \$3 Mexican per arroba (25.5 pounds).

Several of the larger landowners have succeeded in their efforts to drill for artesian wells, and out of 10 borings 6 have proven successful. One in particular flows at the rate of 1,600 liters (423 gallons) per minute.

A former American, now a naturalized citizen of Mexico, who has for the past few years supplied the markets with American potatoes, which he has successfully raised a short distance from this city, has again imported 60 tons of Burbank seed potatoes from California.

Cattle raising is not carried on as extensively as agriculture, but there is a fair demand for slaughter cattle, which are selling at low prices. The importation of sheep and goat skins, which were formerly shipped into this district in large quantities, is now at a standstill, but the increase in exports to the United States through this consulate was about \$11,000 gold over 1907.

BANKING—RAILROADS AND RATES.

The financial stringency in the United States in October, 1907, was not felt here until the spring of 1908, at which time rates of exchange were high and money could not be obtained from the banks except on bona fide security and at 12 per cent interest per annum. Farmers were therefore unable to obtain their accustomed loans on their crops, and it was only during the month of December that the banks resumed loans on the security of two responsible signatures. There never was a time during the year when checks were not paid on presentation, but all drafts drawn on New York and other cities of the United States were made payable through the clearing houses.

A number of the banks are reported to be calling in all less-protected loans, but they are not, however, pressing parties having proper and reliable security. The State Banco de Jalisco has assumed control of the local Banco de Aguascalientes, and it is reported that it contemplates loaning money to the city and to private individuals for improvements and enterprises.

Rates of exchange between the United States and Mexico are still high, the banks buying at \$2 Mexican for \$1 United States, and selling at 202 and 203.

At the commencement of 1908 the Mexican Central Railroad reduced its force and reorganized its service, with the result that passenger trains have been running on time, and freight is being delivered promptly with little or no loss and a very small percentage of wrecks. Several high-power engines were received from the United States, and after being converted into oil burners, were placed in operation at points on the line where steep grades made it difficult to travel, so that now the facilities for transportation are greatly improved.

For several years the building of a direct line between Aguascalientes and Guadalajara has been under consideration. It is now reported that an American company has obtained a concession from the local government to cross this State, and that according to the terms of the contract work must commence within the next few months. The length of the road will be about 187 miles, and it is estimated that it will cost \$2,500,000 gold.

Several increases in freight rates were made on a number of articles, such as wheat, corn, cotton seed, alcohol, and wines, but they were not raised to such an extent as to seriously affect the foreign trade.

IMPORTS AND EXPORTS.

This consular district having no custom-house, trade statistics can not be definitely stated. From inquiries made among the merchants, imports from European ports have not been so large as in previous years, and the United States has just been holding its own in a number of the staple articles.

A recapitulation of the exports to the United States from this district shows a falling off in several articles, namely, beans, bullion, and drawn work, but an increase in chili, hides, and goat skins.

The declared exports to the United States for 1907 and 1908 were as follows, values being given in gold:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beans.....	\$540		Skins.....	\$3,970	\$5,930
Blankets.....	1,427	\$1,331	Other articles.....	764	1,025
Bullion.....	19,980,660	13,598,032	Total.....	19,998,857	13,626,202
Chili.....	3,675	8,307	Returned American goods	3,882	9,758
Drawn work.....	7,319	1,098	Grand total.....	20,002,739	13,635,960
Hides.....		9,625			
Ore, calamine.....		866			

HARDWARE AND IMPLEMENTS—GROCERIES AND PRODUCE.

According to the statements of an American hardware firm in this city, sales of goods, such as hardware, furniture, agricultural implements, carriages, and wagons, have been practically nil. American buyers in these lines are purchasing in a most conservative manner, although sales of small hardware and steel products have been about the average. These goods are imported from the United States, Germany, England, and France, but the greater part, if not all, of the nails used here are of Mexican manufacture, made by American machinery in San Luis Potosi and Monterey.

The grocery trade is mostly in the hands of the Mexican merchants, who sell the home products, but there are two American stores dealing almost exclusively in American goods, and they control the entire trade among the American residents as well as a large percentage of that among the Mexicans. One of the leading firms stated that, in comparison with 1907, the year 1908 had been a bad one for the grocery business, as sales had fallen off owing to the railroad's cutting down its force and the mines not giving employment, thus causing a scarcity of ready money and the necessity of postponing collections.

During October the express company created a return rate of 5 cents gold on egg cases and 75 cents gold on butter cases, making it necessary for the grocery stores to increase prices in proportion. As there is but one express company operating between the United States and Aguascalientes, there is no competition and prices vary in perishable goods, which under the circumstances are high.

Among the products finding a ready sale here are lard, butter, apples, grapes, crackers, preserves, canned goods, and chocolate.

SALES OF DRUGS, DRY GOODS, ETC.

It has been reported by traveling salesmen that in this district there has been less depression in the drug line than in other parts of the Republic. There is, however, no market for American perfumes. European perfumes and soaps are preferred, as they can be sold here at the same and at lower prices than those imported from the United States.

The average percentage of increase in drug imports for 1908 over 1907 is estimated to be, approximately, as follows: Imports from Europe, 15 per cent; imports from the United States, 5 per cent; total increase, 20 per cent.

The sales of dry goods, furnishings, hats, and novelties decreased about 30 per cent, and very small amounts of these articles were imported during the year. Heretofore these lines have found a ready sale, and generally there has been a good demand for American ready-made clothing and suit materials.

MUNICIPAL AND PRIVATE ENTERPRISES.

Aguascalientes has nearly completed a new market, which will add greatly to the convenience of the public in the sales of vegetables, dairy products, and pottery. Its estimated cost is \$15,000 gold.

The installation in the near future of modern drainage and water systems is expected by the public. During the last six months of 1908 engineers were at work, with the result that the digging and the laying of mains and sewer pipes will commence within the next six months. The concessions for these improvements are held by an English company of Mexico City.

The chamber of commerce has been advocating for some time the construction of a wagon road between a small town called Calvillo and this city, a distance of 50 miles. It has been reported as a necessity by a committee appointed by the governor, and it is believed that work will commence shortly. The landowners along the pro-

posed line of the road have agreed to subscribe toward its construction, which it is estimated will cost \$4,000 gold.

Several new residences have been constructed on American plans, and they are furnished with American plumbing and conveniences. One house cost about \$12,500 gold, and another, which is entirely of white brick and stone imported into the State from near Torreon, is furnished with American hard-wood floors and when completed will have cost \$17,500 gold. In December the Church of San Antonio was completed at a cost of \$100,000 gold, and it is one of the most beautiful structures of the city.

The electric street-car company, which was bought early in the year by a German concern of Mexico City, has built a large addition to its power house and installed dynamos and machinery purchased in Germany, for the purpose of generating light for the use of the city and the public.

One of the principal American hardware firms recently obtained a long lease on the building adjoining its store, and when the necessary repairs are completed it will double the floor capacity of its store. The firm intends to use the addition as show and store rooms for carriages, wagons, agricultural implements and machinery, and automobiles.

In September an American resident started a newspaper in English. As it already has a circulation of 700 copies its success is assured, and it offers to American manufacturers a means of advertising their goods.

A few months ago an American started a dairy several miles from the city and is furnishing the market with good American butter at 10 cents gold cheaper than the article imported from the United States, which sells here during the winter months for 55 to 60 cents a pound gold. He also furnishes the American residents and hotels with buttermilk at 10 cents gold a quart.

ZACATECAS AGENCY.

By CONSULAR AGENT FREDERICK STEINKRÜGER.

Zacatecas, a typical mining State, felt the depression in metals considerably, and a number of its mines are idle. The construction of some contemplated cyanide plants was also delayed for this reason. Nevertheless, the Magistral Company is building a 300-ton smelter for copper, and the Bote Mining Company is erecting a modern plant for the reduction of its low-grade ores. The Compañía Beneficiadora de Metales de Zacatecas is putting in a modern plant and expects to do custom work when it is completed.

The shipments of ores and bullion from the different mining districts in this State during the last three years show a total of \$20,595,522 Mexican currency. This does not include the districts of Mazapil and Concepcion del Oro.

The exports to the United States in 1908 amounted to \$73,459, a decrease of \$6,657 from 1907. The articles were ore, worth \$10,733, and skins, \$62,726. A large amount of zinc ore is shipped from the district of Mazapil, in the State of Zacatecas, which is invoiced at Monterey on account of there being no railway connection between that district and the city of Zacatecas.

RAILWAY CONCESSIONS—IRRIGATION—BANKS—CROPS.

Several concessions for the building of railways to the different inland mining districts are held by foreign companies, and if these lines are built the output of minerals from the State will be greatly increased.

The municipal government is making a number of improvements, chiefly in laying cement sidewalks and repairing the public buildings, and no doubt Zacatecas is one of the cleanest and healthiest cities in the Republic. The work on the waterworks system is progressing, and it is expected that the city will soon have one of the most modern installations. This will result in a good market for plumbing supplies.

In the northern part of the State, where many sheep are raised, there is a large amount of wool being held for a better market. Considerable interest is manifested in the drilling of deep wells for the purpose of procuring water for stock raising and irrigation, nothing but American machinery being used.

The banks in the city of Zacatecas, of which there are two, are in very good condition, but no doubt there is a good opening for an institution which would do business along modern lines.

The crops, principally corn, were only fair in 1908 and were not up to the average for the previous year, whereas a good crop was raised in 1906. The high tablelands of this State will in course of time prove of great interest to foreigners, as the climatic conditions are such that all cereals as well as vegetables can be raised, with good markets at reasonable distances.

The Government is contemplating the building of a large dam in the southern part of the State, where sugar cane and tropical fruits, etc., can be raised. The proposed dam is to irrigate about 25 square miles of very rich soil, and when connected with a railroad this part of the State will become a large producer of the products mentioned.

The present governor and his official staff are friendly to foreign investments and will gladly aid any undertakings of good and reliable parties.

CHIHUAHUA.

By CONSUL LEWIS A. MARTIN.

Chihuahua is principally a mining State, but stock raising and agriculture are each receiving attention. Large quantities of cattle are annually exported from this district to the United States. The traffic in hides, most of which are taken from beef cattle, is considerable and is on the increase.

There are few manufacturing plants in this district, and these are operated on a very small scale. Nothing is manufactured for export, everything produced being for home consumption and consisting chiefly of clothing, shoes, woolen goods, candles, matches, brooms, and some products made from iron and steel. There is one small factory for the manufacture of brass bedsteads. The price of each of the articles manufactured here is about as high as the prices for those imported from other countries. This is caused, no doubt, by the fact that Chihuahua has no water power, and the scarcity of fuel and the high price which must be paid for it make the operation of such industries expensive.

The climate is so dry that few agricultural products can be raised without irrigation, and there are not many places where water is available for the purpose. In some places in the State irrigation is resorted to successfully, and there is one colony that is making quite a success of farming. It has an extensive system of irrigation, and by successful farming, combined with the raising of cattle, it is becoming very prosperous and very valuable to the country.

POPULATION OF CHIHUAHUA—IMPROVEMENTS.

The present estimated population of the city of Chihuahua is about 37,000. The last census, which was taken in 1900, showed 30,000, but there has been a great increase in population and a wonderful improvement in the condition and appearance of the city. The little mule-car railway has given way to a splendid modern electric system, which extends through the city and reaches to the suburbs in different directions. The company has lately attached a trailer to each of the original coaches, making the carrying capacity double what it was when they were first put into operation. All the coaches are modern and first class and the service is satisfactory, not only to the company but also to the patrons.

During the last year new buildings have sprung up all over the city, not only for public works but also for private enterprises, and a fine dwelling is now nearing completion, made of native stone, which is said to have cost \$250,000 gold. The carving and statuary with which the building is adorned alone cost many thousand dollars. The city municipal building has been completed and occupied. The large dam that was in course of construction in 1907 has been completed at a cost of \$350,000, and the water supply which it affords is more than ample for the city or one several times its size. The new government building will be completed during the summer of 1909. In addition, many commodious business blocks have been erected and occupied.

The Chihuahua and Pacific Railway and the Sierra Madre Land and Lumber Company Railway were bought by a Canadian company during the year and merged into one road. This system connects the city of Chihuahua with Madera, about 200 miles by rail northwest of Chihuahua. At Madera are located the largest lumber and saw mills in Mexico, and the company owning these mills has purchased several hundred thousand acres of land adjacent thereto and will exploit the timber on a large scale. The company also has under consideration a project to build a railroad from this city to Monclova, a city in the State of Coahuila, located in the center of the coal regions and about 362 miles southeast of Chihuahua. This road, if built, will bring the coal fields 165 miles rail haul nearer Chihuahua and will effect considerable saving in the cost of fuel. The Kansas City, Mexico and Orient Railway, building from Kansas City to Topolobampo, on the Gulf of California, and passing through Chihuahua, is making progress slowly, but it is understood capital has been pledged to complete the road from Kansas City to Chihuahua, and it is confidently expected that much of it will be finished within a year.

A DECREASED TRADE—SALES TO THE UNITED STATES.

There is no way of ascertaining the amount of imports into this district for 1908, but merchants are buying in very small quantities, only enough to carry on their business, and inquiry at the freight station of the only line entering Chihuahua from the United States elicits the fact that shipping is far below that of several years previous. Owing to the low prices of silver and copper metals, many mines in this district have closed down, and this, coupled with the shortage of crops, due to the small rainfall of last year, has greatly curtailed business throughout the district and caused a stringency of money. Many merchants are having difficulty in meeting their obligations, and there have been some failures.

The declared value of exports, including returned goods, to the United States during 1907 was \$5,503,653, against \$4,234,362 in 1908. The articles and their values were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bones and horns.....	\$277	\$630	Other articles.....	\$48,349	\$30,594
Cattle.....		159,007			
Concentrates, zinc.....		73,595	Total.....	2,159,793	1,613,898
Hides.....	259,234	139,093	Bullion: Gold and silver...	3,323,314	2,599,854
Ore:			Returned American goods..	20,546	20,610
Calamine, zinc.....	155,667	336,502			
Silver, lead, and gold....	1,696,266	824,477	Grand total.....	5,503,653	4,234,362

PARRAL AGENCY.

By CONSULAR AGENT JAMES J. LONG.

The prosperity of the Parral district depends almost entirely upon the mining industry. Owing to the low prices of silver and other metals and the unsettled financial conditions in the United States and Europe, many mines closed down in this district during 1908, and other mining enterprises that were to be undertaken about the beginning of the year were forced to await more favorable conditions. Fortunately the dull condition of the mining business in the Parral district during the year will bring about local treatment of a great deal of low-grade ore that was formerly shipped to custom smelters when the prices of metals were high. Particular interest was taken throughout the district in the cyanide process for the treatment of low-grade silver ore. A number of experimental plants were installed, and it was proved that many of the low-grade ores that would not stand freight and smelter charges can be treated at a profit by the use of cyanide. It is almost a certainty that several large cyanide plants will be in operation in the Parral district before the close of 1909.

The 12.4-mile extension of the Parral and Durango Railroad was completed in October, 1908. By means of this extension the Parral district is assured a constant supply of pine lumber, mining timbers, poles, and fuel wood for many years.

During the year the operation of the electric street cars of the Ferrocarril Urbano de Hidalgo del Parral began in the city of Parral, and there are prospects that the line will be extended to one of the suburbs as soon as business conditions in the district warrant the expenditure.

Ground was broken in the city for a large industrial school for girls, which will be ready for use about the second half of 1909. This is the only public building of importance undertaken in the district during the year.

Agricultural interests have suffered in this district from the short rainfall during the past three years. It is noteworthy that the leading hardware merchants are advertising American plows and other modern agricultural implements as carried in stock, for most of the farming in the district, up to recent years, has been done with very primitive implements.

TREATMENT OF SILVER ORES—EXPORTS.

With the introduction of modern plants for the treatment of the low-grade silver ores, either by cyanide or concentration, or by some other methods yet to be discovered, there will result a revival of the mining industry throughout the Parral district. Many important mines in this district have been purchased by foreign interests during the past five years, and for that reason it may be confidently stated that the capital necessary to build the plants so greatly needed for local treatment of low-grade ores will soon be available. It is also probable that next year there will be built here a large custom plant for the treatment of ores by the cyanide process. This in itself would be a great benefit to the entire district. A concession has also been given by the state government for the construction of a large hydro-electric plant on the Conchos River, about 40 miles from Parral, and arrangements are being made, with good prospects of success, to finance this concession. It is difficult to overestimate the benefit that the Parral district would derive from the cheap electric power that this company proposes to furnish. Fuel is very high in northern Mexico, and some cheaper power than that generated by coal or wood would greatly facilitate the local treatment of low-grade ores to which reference has been made.

The value of the exports declared at Parral to the United States during 1908 was \$1,647,903, against \$1,251,418 in 1907. The leading articles and their values in 1908 were: Gold, lead, and silver ore, \$1,627,230; gold and silver bullion, \$14,575; zinc ore, \$5,001; bones and horns, \$744; and personal effects, \$286.

CIUDAD JUAREZ.

By CONSUL THOMAS D. EDWARDS.

Ciudad Juarez is the principal boundary port of Mexico for the exchange of commerce between the people divided by the Rio Grande River. There was a shrinkage in the volume of trade between the United States and northern Mexico during 1908. This was not confined to imports from the United States, there being a corresponding decrease in imports from all other countries.

This condition was caused by a general money stringency throughout the Republic, which set in during the latter part of 1907 and which has been growing more oppressive each month. The abatement of the influx of foreign money for investment in mining and other industries is no doubt largely accountable for the continued depression.

In this consular district, where mining and stock raising are the principal industries, the output of the mines has been considerably reduced. Railroad building in the district or in which the district is interested is temporarily suspended. The year, however, proved fairly favorable for those engaged in agriculture. The Mormon colony which is following that pursuit has prospered and has built at Colonia Dubland an irrigating canal for the reclamation of 20,000 acres of land, which will add materially to the future progress of the colony.

TRADE WITH THE UNITED STATES.

In consequence of the conditions in Mexico and a dull market in the United States for silver and copper, the total value of dutiable goods exported to the United States which entered through the port of El Paso showed a decrease of \$112,370, and there was a decrease of 50 per cent in the free list, which consists almost wholly of copper and silver ores.

The shipments of cattle to the United States from this district, however, were more than double those of 1907 and were the largest item of export, a place which has heretofore been held by the products of the mines. The total number shipped from this district during 1908 was 62,670, valued at \$843,657. Every indication points to a constant increase in the exports of cattle to the United States. The cattle breeders of Mexico are improving the quality of their stock, and it may be safely predicted that, with this improvement and the extension of the several lines of railroad that are now penetrating the grazing regions of the Republic, northern Mexico will soon be in position to increase greatly its exports of live stock.

The imports into Mexico from the United States through Ciudad Juarez in 1908 were valued at \$6,026,411, against \$5,086,421 in 1907 and \$5,842,254 in 1906. The principal articles in 1908 were:

Articles.	Value.	Articles.	Value.
Arms and ammunition.....	\$110,403	Vehicles.....	\$738,820
Copper matte.....	1,791,844	Wheat.....	47,878
Furniture.....	194,669		
Machinery.....	2,724,409	Total.....	6,026,412
Shoes.....	418,259		

The declared value of exports to the United States in 1908 was \$1,496,172, against \$1,150,411 in 1907 and \$674,396 in 1906. The leading items in 1908 were as follows:

Articles.	Value.	Articles.	Value.
Animals:		Ores.....	\$436,035
Cattle.....	\$843,657	All other articles.....	27,726
Sheep.....	41,238		
Drawn work.....	864	Total.....	1,389,373
Guano.....	17,807	Returned American goods.....	106,799
Hides and skins.....	21,017		
Household effects.....	1,029	Grand total.....	1,496,172

CIUDAD PORFIRIO DIAZ.

By CONSUL LUTHER T. ELLSWORTH.

The total value of imports into this district in 1908 was \$4,073,444, against \$6,402,256 in 1907. The countries sharing in the imports in 1908 were as follows: United States, \$3,667,925; Germany, \$258,357; United Kingdom and India, \$113,979; France, \$20,542; Spain, \$11,158; and all other countries, \$1,483. Of the total imports in 1907 the United States supplied articles worth \$5,612,073, the figures showing a decrease of \$1,944,148 for 1908.

The value of the imports from the United States during the past year, by articles, is shown in the following table:

Articles.	Value.	Articles.	Value.
Agricultural implements.....	\$37,279	Iron and steel, and manufactures of—	
Animals:		Continued.	
Cattle.....	28,058	Rails.....	\$182,532
Horses.....	5,703	Sheets.....	21,782
Mules.....	3,711	Steel, structural.....	19,815
Sheep.....	10,974	Stoves.....	6,026
Arms and ammunition.....	43,124	Tools.....	30,606
Bags and sacks.....	13,263	Wire, fencing.....	15,244
Barrels, kegs, etc.....	5,548	Leather, manufactures of:	
Belting, leather and rubber.....	28,806	Boots and shoes.....	132,060
Books.....	7,381	Manufactured.....	13,340
Bottles, flasks, etc.....	6,008	Lime.....	18,233
Boxes for packing.....	6,531	Linsens, etc.....	10,606
Breadstuffs:		Liquors.....	28,677
Corn.....	50,594	Metals:	
Flour.....	5,165	Manufactured.....	108,811
Oats.....	16,397	Tin and zinc.....	9,817
Wheat.....	16,969	Oilcloth.....	4,071
Bricks, etc.....	81,818	Offs:	
Cars, carriages, etc.:		Cotton-seed.....	400,843
Automobiles and carriages.....	47,907	Kerosene.....	23,760
Cars, railway.....	56,547	Linseed.....	220,100
Other.....	7,334	Lubricating, etc.....	23,663
Coal and coke.....	56,219	Paper, manufactures of:	
Coffee.....	8,000	Printing, etc.....	31,699
Crookery.....	5,007	Other.....	7,442
Cotton, and manufactures of:		Packing for machinery, etc.....	16,996
Raw.....	32,479	Provisions:	
Cloth.....	21,460	Butter, cheese, etc.....	20,563
Clothing.....	42,329	Lard.....	98,701
Thread.....	5,335	Meats, canned.....	13,984
Drugs, medicines, etc.....	122,191	Rope.....	19,107
Electrical supplies.....	11,863	Rubber, sheet.....	5,089
Enameled ware.....	9,973	Salt.....	4,069
Explosives.....	12,446	Seeds.....	26,298
Fire extinguishers.....	4,719	Silk goods.....	8,202
Fish, fresh.....	4,239	Soap.....	4,813
Fruit, fresh, dried, etc.....	30,739	Varnish.....	10,382
Glass and glassware.....	27,212	Wood, manufactures of:	
Hats.....	20,186	Furniture.....	77,128
Instruments:		Lumber.....	381,532
Musical.....	6,396	Wool, and manufactures of:	
Scientific.....	7,164	Raw.....	6,971
Iron and steel, and manufactures of:		Carpets.....	3,614
Bar.....	12,545	Cloth.....	7,546
Cables.....	11,844	Clothing.....	15,611
Engines.....	462,812	Yeast.....	8,433
Nails.....	21,986	All other articles.....	128,686
Pig.....	6,661		
Pipes.....	98,838	Total.....	3,667,925

EXPORTS TO THE UNITED STATES.

The declared value of exports, not including returned goods, to the United States in 1908 was \$562,383, against \$785,436 in 1907,

a decrease of \$223,053. The following statement shows the articles for 1908 and their value.:

Articles.	Value.	Articles.	Value.
Animals: Mules.....	\$2,775	Ixtle.....	\$71,372
Beans.....	1,200	Pecans.....	33,606
Calamine.....	85,855	Rubber, crude.....	243,432
Corn.....	2,137	All other articles.....	1,169
Hair.....	4,609	Total.....	562,383
Hides and skins:		Returned American goods.....	27,470
Cattle.....	29,667	Grand total.....	589,853
Goat.....	84,056		
Ice.....	2,505		

DURANGO.

By CONSUL CHARLES M. FREEMAN.

In this consular district, embracing the State of Durango and a small part of the State of Coahuila in the vicinity and including the city of Torreon, industries, as a whole, declined during the past year. In the face of this state of affairs exports to the United States increased. It is impossible to give definite trade figures, there being no port of entry. However, the conclusion arrived at, after careful inquiries of the principal business houses, the importers, and railroad agents, is that during 1908 less goods were imported into this district from foreign countries than in 1907.

The financial depression in the United States during the latter part of 1907 and the agitation for new mining laws by the Mexican Government shut off almost completely the advent of new capital into this part of the Republic. When it is understood that nearly all new industries requiring capital are started and financed by foreigners, principally Americans, it will be seen that a large amount of the usual money circulation was cut off. Moreover, the sharp decline in the price of silver closed a number of mines and reduced the number of laborers employed in others. The lack of rainfall in 1907 continued during 1908, consequently agricultural industries suffered. The cotton crop of the Laguna district, the mainstay of the city of Torreon, was the poorest in many years.

The Mexican people as a whole are good spenders, but the fact that their income was cut one-half (a conservative estimate) naturally lessened importation. Proof of this fact is to be seen in the stores, which are exhibiting and selling old stock. The business depression may be considered temporary, for the agitation for new mining laws affecting foreign capital has ceased and new capital is seeking investment. The improvement of agricultural conditions by irrigation is being seriously considered; a rise in the price of silver is confidently looked for by the mining community; and the business interests of the district are planning with confidence for the future.

MINING AND AGRICULTURE.

No especial activity is looked for in mining unless there is a sharp advance in the price of metals. Silver probably exceeds in value of output the total of all other metals produced, and during the past year its price has steadily declined. Active operations are at a

lower point than for many years; nevertheless, denouncements of claims are made daily, and mining will continue to be one of the leading industries of the district.

With a climate ranging from temperate to subtropical, and a soil not excelled for productiveness, this district should produce a variety and abundance of crops far in excess of the needs of home consumption, although as a matter of fact it does not. Modern methods, modern implements, and progressive farming will materially advance this industry, but the one thing needed above all is means of communication other than trails between the ranches and the transportation systems. Good roads will do more to advance agriculture in this district than all other things combined.

In the section around Mezquital, a city of about 8,000 inhabitants in the southern part of Durango, are grown the finest flavored oranges produced in Mexico, but none are marketed for lack of freighting facilities. Between Mezquital and Durango, the capital of the State, there is only a trail; all freighting is done by pack animals. Mezquital is a fair example of the conditions existing throughout the district. There are no roads, consequently no markets, and with no markets the farming community has no incentive to increase or better the crops produced. Could the construction of good roads be initiated a market for road-making machinery would be created, and the market for agricultural implements doubled. The several irrigation plans contemplated within the district will, if carried out, do much for agriculture, but the large size of the holdings has a tendency to retard progress.

The field for the sale of agricultural implements has not been well covered. The opening is promising, and although the use of modern implements is at present limited it is increasing each year. A good Spanish-speaking solicitor, one who could demonstrate, visiting the haciendas of this district and failing to make sales would have only himself to blame. Local hardware houses carry a limited supply of agricultural tools and machinery and they, as well as the commission houses, have catalogues in abundance. Either will order any goods wanted, but catalogues and demonstration are wide apart in their effects. American manufacturers seem to feel confident that when the Mexican farmer wants modern machinery he will buy that of American make. To a certain extent this is true, but instead of waiting for a demand to grow it is possible to create a demand.

RAILWAY EXTENSION.

It has been definitely settled that the connecting link between Durango and the Pacific at Mazatlan is to be built at once as far as the timber belt in the Sierra Madre Mountains. The obstacle that has delayed the building to this point, lack of funds, has been overcome by the State of Durango in conjunction with the owners of the timber lands who will be directly benefited. The Mexican National Railroad has agreed to build the road if the other parties will guarantee the net earnings to be 6 per cent on \$4,000,000 for ten years from the opening of the road.

As the survey of this proposed road has been completed, even the grade stakes being in place, work will be started without delay. The railroad will not only open a market for the necessary supplies for

such an undertaking, but will also make an opening for manufacturers of sawmill and lumbering machinery. In addition, the increase in population and in money circulation during its construction will have a tendency to improve business of all kinds.

CITY OF DURANGO.

The city of Durango, the capital of the State, is situated in the south central part on the line of the Mexican International Railroad, about 160 miles from Torreon and 550 miles from the United States border. It is the center and outlet of a large active mining and agricultural district and is the most important commercial and distributing point in the State. The northwestern part of the State has its outlet through the branch railroad from this city to Tepehuanes. The southwestern part of the State will be tapped by the new line.

In the numerous mountain streams much valuable water power is going to waste, the distance from manufacturing centers and lack of roads throughout the State being against its utilization. A company with a capital of \$500,000 has secured a concession from the Government and proposes to bring power over wires to this city. This project, if carried out, will mean much to the manufacturing interests here and those to be established.

The water system and sewerage works have been practically completed. Water is pumped from a large never-failing spring near the city to a reservoir having an elevation of some 200 feet above the highest point of use. From an engineering point of view both the waterworks and sewerage system are well constructed and bid fair to give not only satisfaction to the public but a good revenue to the city.

The principal industrial concern of the city, the Mexican National Iron and Steel Company, an American corporation, is now closed and in the hands of a receiver, who informs me that the debts of the concern are nearly cleaned up with every indication of a reopening of the plant. This company is the principal owner of the famous Iron Mountain. It employs several thousand hands when in operation. Financially the city is served by the Banco Nacional, the Banco de Londres y Mexico, and the Banco de Durango.

With a beautiful new theater costing over \$250,000 nearing completion, a new hospital, waterworks and sewerage, and the streets paved with asphalt, as is contemplated, Durango, with its grand climate, will be an ideal resort all the year. In this connection this city has the best hotels in the Republic outside of Mexico City.

GROWTH OF TORREON.

Situated in the southwestern part of the State of Coahuila is the city of Torreon, the most important commercial point in this consular district. For growth it is without a rival in the Republic. Less than twenty years ago it was of no importance. The coming of the Mexican Central Railroad made a change; the advent of the Mexican International Railroad added to the impetus for development, and in 1893 Torreon had assumed the importance of a village and was

so recognized by the Mexican Government. It is now a city of 40,000 population.

Torreon is at the junction of Mexico's two great trunk lines, and is connected by branch lines with San Pedro, Zaragoza, Tlahualilo, and Saltillo, the capital of the State of Coahuila, and by electric car service with Gomez-Palacio and Lerdo, in the State of Durango. Situated in the midst of the Laguna cotton district, in which 90 per cent of Mexico's cotton is raised, and of which Torreon is the supply depot and distributing point, its continued growth seems assured, and it is fast coming to the front as a manufacturing city. As a distributing point its importance will be recognized when it is known that the freight receipts of the joint lines entering the city amount to over \$400,000 gold per month.

One of Mexico's largest smelters, employing over 2,000 men, caters to the numerous mines of which Torreon is the natural outlet. The largest soap factory in the world (so claimed by the managers) uses the by-products of the cotton district. In addition to these two great plants Torreon has a rubber company, cotton mills, packing houses, foundry and machine shops, flour mills, a furniture factory, brick works, and numerous smaller industries. Financially Torreon is served by six banks, the Banco Americano, the Banco Nacional, the Banco de Londres y Mexico, the Banco de Nuevo Leon, the Banco de Coahuila, and the Banco de la Laguna.

IRRIGATION WORK—ELECTRIC RAILWAYS.

The Laguna district is an important factor in the future development of Torreon. During the past year the Federal Government decided to push the contemplated irrigation works on the Nazas River, and already engineers are on the ground making surveys. This work when finished will be the greatest irrigation works in the Republic, costing over \$12,000,000.

The lower valley of the Nazas, the Laguna district, is of rich alluvial soil, and with irrigation will be most fertile. On the completion of the dam and reservoir thousands of acres will be added to those already under cultivation, and all will be assured of good crops each season. It is proposed to build the dam about 40 miles above Torreon in the San Fernandez Canyon. The reservoir formed will hold enough water to irrigate the valley for three years without further rainfall. In the building of these works, which will consume a number of years, thousands of barrels of cement will be needed as well as numberless pieces of machinery. It is understood that the Banco de la Laguna, which was recently established with a capital of \$6,000,000, and which was opened for business in February last, was for the direct purpose of financing this great undertaking.

In the electric railways connecting the city with the neighboring cities of Gomez-Palacio and Lerdo, Torreon has an important factor for its upbuilding and development. The lines are modern and up-to-date, furnishing excellent service. Modern sewerage and water systems contribute to the general health and welfare of the community. The same establishment that supplies Torreon with electric power and makes it one of the best lighted cities also provides power for the operation of motors in mills and factories.

In many respects Torreon is essentially an American city; having, by the fact that many of its prominent business men are natives of the United States, adopted American ways of doing business. The resident American population is estimated at over 1,200. Two of the most widely known newspapers of Mexico are published in Torreon, both in English.

Torreon is growing in population and industries, because of its location as a distributing and supply point for a wealthy outlying district, its easy and quick communication with the United States, its large American population, and its English newspapers, all of which make it an attractive point for, and a city which will well repay attention by, exporters in the United States.

EXPORTS TO THE UNITED STATES.

The total value of exports from this consular district to the United States in 1908 amounted to \$6,565,790, against \$2,469,942 in 1907, an increase of \$4,095,848. This increase represents more value than the total exports for 1907, and the total almost equals the combined exports to the United States for the years 1905, 1906, and 1907.

This increase in exports to the United States in the face of business depression in the district is remarkable, and the reasons advanced for it are that all industries in the district are in need of spot cash to meet bills, and to keep going have sold off all surplus stock on hand, and that many articles usually exported to Europe were sent to the United States because of quicker cash returns.

In 1908 the city of Durango shipped to the United States \$86,841 more than in 1907. In animal products the gain for the year was \$33,919; mineral products showed a gain of \$55,624, while vegetable products dropped \$8,422.

The great gains in the district all occurred at Torreon, and were as follows: Animal products, \$131,360; mineral products, \$2,782,655; and vegetable products, \$1,091,364. The total shipments from Torreon to the United States in 1908 amounted to \$6,097,054, against \$2,088,047 in 1907, a gain of \$4,009,007. Crude rubber extracted from the guayule plant showed an increase of nearly \$1,000,000.

The exports from Durango and Torreon to the United States in 1908 consisted of the following articles:

Articles.	Durango.	Torreon.	Articles.	Durango.	Torreon.
Animal products:			Vegetable products—Cont'd.		
Hides.....	\$36,024	\$53,120	Cotton-seed cake.....		\$3,030
Horns.....	98	526	Glycerin.....		32,009
Skins.....	53,321	208,658	Ixtle.....		13,562
Mineral products:			Rubber, crude.....		2,289,278
Arsenious acid.....		18,192	Household effects.....	\$878	2,840
Gold.....	45,640	471,261	All other articles.....		2,206
Lead.....	591	898,993			
Silver.....	303,683	2,033,206	Total.....	466,761	6,074,279
Siliceous ore.....		47,408	Returned American goods.....	1,975	22,775
Vegetable products:					
Beans.....	1,195		Grand total.....	468,736	6,097,054
Chili peppers.....	25,331				

ENSENADA.

By CONSUL EVERETT E. BAILEY.

There was little change in general conditions in 1908 from previous years. This port is practically a California town in its consumption of goods. The imports for 1908 were valued at \$125,079, against \$165,494 in 1907, a decrease of \$40,415. Of the total imports in 1908, the United States supplied articles worth \$117,084, and in 1907, \$157,536. China furnishes about 3 per cent of the imports, consisting of tea, rice, and opium. France sends wine and cordials, and Canada supplies most of the whisky.

This consular district being so near and accessible to California, practically everybody here makes periodical shopping trips to San Diego and Los Angeles, so that the customs figures for Ensenada are of small value in estimating the total consumption of American goods in this district.

The exports are wholly to the United States, the largest item being that of onyx. The deposits of onyx are 60 miles inland, and the product is hauled to Ensenada by wagons. Copper matte and ore were formerly exported in considerable quantities, but the low price of copper made the business unprofitable.

The declared value of exports of domestic products to the United States in 1908 was \$102,415, against \$204,045 in 1907. The leading articles were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Abalone meat and shells.....	\$435	\$9,388	Guano.....	\$5,135	\$7,690
Beeswax.....	4,575	6,665	Lobsters.....		6,470
Bullion, gold.....	5,320	2,580	Onyx.....	59,529	66,647
Concentrates.....	100	600	All other articles.....	9,318	1,315
Copper matte and ore.....	119,033	800	Total.....	204,045	102,415
Olue stock.....	600	250			

Of the 18,000,000 acres of land in this district, the Mexican Land and Colonization Company (English) owns about one-half. The company acquired its holdings through a concession from the Mexican Government. It has attempted many schemes of development in different lines, manufacturing, agricultural, mining, banking, etc., all of which have been discontinued except for two telegraph lines which are maintained for the company's convenience.

Commercially and industrially this district is probably the least developed of any in the Republic. There are no railroads, and its isolation from the rest of the country and proximity to California make it for trade purposes almost United States territory.

FRONTERA.

By CONSUL ALPHEONSE J. LESPINASSE.

The State of Tabasco is essentially agricultural, its soil being marvelously fertile and producing an endless variety of tropical and sub-tropical products. As yet the enormous agricultural resources of this State remain dormant, but would respond most generously if modern methods were applied to developing them.

The lack of knowledge among farmers and the difficulty experienced in securing adequate labor have greatly retarded the agricultural progress of this district, which should be among the most prominent in Mexico. The climate, which tends to develop all products under the most favorable conditions, and the extraordinary transportation facilities offered by the network of rivers and water courses that intersect this State in all directions should enable the agriculturist to produce most bountiful crops with great profit.

Two crops of corn a year are usually produced, and with very little more effort three crops could be obtained. The system of planting is primitive. A line of Indian laborers is formed across a field, each having a sharp-pointed staff with which he punches a hole in the ground, into which he thrusts a few kernels of corn, leaving the hole open. This accomplished, the laborer moves ahead on the same line, all proceeding in this order until the entire tract is planted; this comprises the whole process, with the exception of one or two slight weedings after the corn germinates, as no further attention is paid to it until ready to be gathered. Under this primitive system from 25 to 30 bushels of corn are harvested from each acre. It can therefore be easily imagined what the production would be if modern methods were employed.

COMMERCE OF THE PORT.

The commerce of this port, notwithstanding the general financial stringency, was quite satisfactory in 1908, but was less in volume and value, especially in imports, than in former years.

The trade relations between this section of Mexico and the United States are expanding in a satisfactory manner, all business transactions being of the most conservative nature. Firms here are possibly overcautious in their dealings, restricting their orders to the absolute necessities of their trade, and under these conditions business must progress within perfectly safe bounds.

The imports, by principal articles, in 1908, and the shares of the United States, France, Germany, Spain, and the United Kingdom were as follows, values being given in Mexican dollars worth 49.8 cents gold:

Articles.	Total.	United States.	France.	Germany.	Spain.	United Kingdom.
Agricultural implements.....	\$21,258	\$16,300	.....	\$3,937	.....	\$872
Brandy.....	15,511	502	\$12,211	820	\$1,699	78
Brass and copper goods.....	11,955	5,251	60	3,196	.....	3,414
China and porcelain ware.....	2,391	199	31	2,048	.....	337
Coal.....	14,240	12,743	.....	.....	.....	1,497
Cotton, manufactures of:						
Lace.....	11,928	38	482	2,577	.....	7,343
Textiles.....	113,173	1,579	163	5,127	43,657	55,980
Thread, yarn, etc.....	16,291	927	792	.....	.....	13,572
Underwear.....	3,070	33	70	1,298	806	63
Drugs and chemicals.....	118,104	50,263	42,539	2,952	2,872	10,845
Enameled goods.....	8,354	4,792	.....	7,973	.....	.....
Farinaceous foods.....	10,975	4,637	554	68	5,567	149
Firearms.....	14,029	5,637	78	546	6,613	.....
Fruits and vegetables.....	20,461	9,008	2,263	110	8,274	137
Glass.....	6,661	2,050	292	2,048	27	118
Iron and steel, manufactures of:						
Machinery, etc.....	97,943	89,871	135	5,938	.....	1,678
Nails.....	8,077	5,297	.....	447	.....	2,334
Sheets.....	42,616	25,308	620	9,006	164	7,468
Stoves.....	1,679	1,226	.....	358	.....	98
Tools.....	17,624	12,774	5	2,784	.....	2,080
Tubes.....	34,704	32,294	.....	8	.....	2,406
Wire, fence.....	17,406	11,924	.....	.....	.....	5,482

Articles.	Total.	United States.	France.	Germany.	Spain.	United Kingdom.
Leather, and manufactures of:						
Boots and shoes.....	\$33,357	\$14,757	\$4	\$45	\$18,551	
Other.....	8,493	2,614	279	2,074	737	\$1,099
Linen goods.....	15,167	55		567	2,992	11,267
Lumber.....	20,045	20,045				
Musical instruments.....	11,371	6,101	118	3,096	2,056	
Paper, and paper goods.....	10,793	2,198	520	4,802	2,758	177
Perfumery.....	8,220	316	6,622	765	244	272
Provisions:						
Butter.....	8,329	3,916	2,551	891		
Lard.....	4,950	4,950				
Meat, canned.....	34,153	13,468	1,603	132	11,950	167
Other.....	19,969	1,407	988	899	38	83
Rubber bands, etc.....	3,168	3,125		4		39
Seeds and plants.....	8,985	1,507		25		51
Silk lace.....	3,379		784	2,937		
Thread, hemp.....	6,758	4	144		752	5,857
Vehicles, carriages, etc.....	9,485	9,068		244		27
Wines and spirits.....	58,918	262	15,774	602	41,351	
Woolen goods.....	6,528	2	31	1,365	971	3,522
All other articles.....	138,208	28,830	12,678	27,958	11,713	15,028
Total.....	1,017,735	405,271	102,391	97,636	163,792	153,506

EXPORTS TO THE UNITED STATES.

As new products from this State are being exported to the United States in addition to those regularly shipped, it is not at all improbable that there will be a pronounced increase in the imports and exports of this consular district during 1909. The declared value of exports to the United States in 1908 was \$480,436, against \$434,266 in the previous year. The articles in 1908 were as follows, values being given in gold:

Articles.	Value.	Articles.	Value.
Chicle.....	\$19,824	Plantains, dried.....	\$1,534
Coffee.....	92,985	Rubber.....	103,335
Feathers.....	1,916	Skins.....	25,331
Fruits:		Wood:	
Bananas.....	20,034	Cedar.....	11,610
Bananas, dried.....	4,904	Mahogany.....	165,674
Other.....	1,580	All other articles.....	2,190
Hides.....	26,728		
Launches.....	1,000	Total.....	480,436
Plantains.....	1,791		

RIVER IMPROVEMENTS—LIGHT-HOUSE.

The Usumacinta River, the most extensive body of water in this State, has its source in Guatemala, being created by a series of small streams that increase in volume until they reach the boundary line of Mexico, where they assume greater magnitude and finally develop into the broad Usumacinta River, which, after a course of 500 miles, almost 200 miles of which are navigable, finally empties into the Gulf of Mexico at the Frontera bar, 7 miles from this city.

Owing to the changeable nature of the river bed at the bar, caused by the constant and enormous quantities of silt deposits, the depth of water constantly varies from 7 to 12 feet. Although vessels are exposed occasionally to difficulties in crossing the bar on account of uncertainty in depth, all vessels of ordinary draft can reach the Frontera dock without experiencing serious inconvenience or danger.

The business community, realizing the importance of having sufficient water at all times over the bar, petitioned the Federal Government to deepen the Grijalva River, which is a branch of the Usumacinta, at the bar, so as to permit the largest seagoing vessels to load and discharge their entire cargo at Frontera. The Government sent a corps of engineers to investigate and report on the present condition of the Frontera bar, in order to consider the nature of the work required to meet immediate needs. This work, however, will not be of a permanent nature, as it is stated on apparently reliable authority that, in accordance with a decision previously reached by the Government and in conformity with its policy in regard to port and harbor improvements, work will be undertaken within a few years to secure a permanently sufficient depth of water over the Frontera bar so that all the requirements of this port and State will be amply provided for.

The Frontera light-house is situated at the mouth of the Grijalva River, on its right bank; it is an iron frame tower of 8 columns, painted white, having a white flash light every 60 seconds; its elevation above sea level is 79 feet, and its illuminating power in clear weather is 37 marine miles.

The sanitary condition of this State was excellent during 1908. No epidemic or contagious disease prevailed, and the mortality from all causes probably did not exceed 16 to 18 per 1,000. This was no doubt due to quarantine and other sanitary regulations, rigidly enforced by the State and municipal authorities.

Competent judges claim that, although in the Tropics, this State compares most favorably with other sections of Mexico noted for their healthfulness. Yellow fever is not endemic here and has appeared only at rare intervals, having on those occasions been introduced by vessels arriving from infected ports. Typhoid, scarlet fever, and diphtheria rarely visit this section. The most common diseases are mild bilious fevers and dysentery, which have, during recent years, been greatly abated, as the marshes and lagoons that retained stagnant and putrid matters adjacent to cities and towns have been drained, or an outlet to rapidly flowing streams has been found for their malarial deposits.

HOW TO EXTEND CIDER SALES.

Notwithstanding the unexcelled quality of American cider and its moderate cost, it seems incredible in view of the great demand that exists in Mexico for this beverage, not only in the populated centers but even in the remote settlements, that American cider does not even form an insignificant part of the quantity consumed in this country, practically all being imported from Spain. The idea has been so thoroughly inculcated into the minds of the Mexican tradesmen and public generally that American cider is of inferior quality and deleterious, that it finds no acceptance in this country.

In order to overcome this prejudice American manufacturers should adopt a systematic campaign in all parts of Mexico, offering their products on the most liberal terms possible, and authorizing their representatives to supply dealers generously with free samples to be presented to the most desirable customers. Whenever prac-

tical the quality of the goods should be demonstrated in some public manner, either by free distribution of samples or by displaying the various qualities of cider and cider products in a temporary but neatly arranged sample room decorated with attractive display cards printed in Spanish, where buyers and the public could be invited to sample the beverage free of charge, in order to convince them of its merit and that the prejudices against it are unfounded. A competent native who possesses a knowledge of cider and who has had business experience should be placed in charge. Such a plan would produce excellent results and its cost would be comparatively small.

THE SHOE TRADE AND HOW TO OBTAIN IT.

Although American men's and boys' shoes are extensively imported into this consular district, Spain sends practically all of the women's and children's shoes. This is due to the fact that shoes manufactured in the United States for women and children do not, it is claimed, conform to the shape demanded. The Mexican trade believes that American women's and children's shoes are not sufficiently pliable, especially the soles, which should be quite flexible. This latter quality is the point on which the entire preference is based.

This shoe trade in this section being exclusively controlled by Spanish firms, it is quite natural that shoes from all other sources should not meet with favorable acceptance. Shoes of Spanish manufacture for women range in price from \$3 to \$5 gold, according to quality and finish; shoes for children sell at \$2 to \$3 gold.

Shoes with high heels and arched insteps, in lace, button, and strap, with comparatively straight soles and pointed tips, are the kind most in vogue for social functions. For daily use a shoe with a medium high heel, moderately arched instep, and flexible sole is most in demand. As it may interest American manufacturers to examine the latter style of shoe, which is manufactured in Palma, Majorca, I send with other samples a pair of the kind most in demand here. Naturally the fancy article is somewhat different in appearance and construction, but of this kind very few are sold here. [The shoes are filed for inspection in the Bureau of Manufactures.]

In order to remove prejudices existing against the American article it would be advisable for American manufacturers to have this and other sections of Mexico thoroughly canvassed by experienced salesmen who speak Spanish not only well, but fluently, and above all who are tactful and courteous. They should be provided with complete lines of samples, and be prepared, if necessary, to engage in a house-to-house canvass in order to convince consumers that the pretended superiority of the Spanish shoe as to flexibility of the sole is simply a trade subterfuge, and that the American shoe possesses all the advantages of the Spanish article. It must naturally be expected that the foothold which the Spanish shoe has gained will not be willingly relinquished, consequently a determined and persistent effort will be required to remove the long-standing prejudices.

Shoes for men and boys are imported exclusively from the United States, and sell here for \$3 to \$5 gold. They are preferred to those from all other sources.

EXCELLENT FIELD FOR SALE OF HATS.

It is a striking fact that the item of hats does not appear in the imports from the United States, while Germany, France, Italy, and Austria, in the order named, furnish the entire supply. It would seem that American manufacturers either fail to seek a market for their products in this section or else are not willing to meet foreign competition. The hats principally in demand here are the so-called felt derby, crushed hat, tourist, and fedora, which range in price from \$2 to \$5 gold, retail. The straw hats in general demand are white and stiff, with medium-width brim, low crown, and black and fancy bands. They retail at \$2 to \$5 gold.

If properly canvassed there would undoubtedly be an excellent field in this and the adjoining States of Chiapas and Campeche for the sale of the hats already described, and probably many other styles that have never been introduced in this section. Experienced salesmen speaking the language fluently and capable of adapting themselves to the business methods prevailing in these States, would, I believe, find a good outlet here for a medium grade of hats, providing these could be sold in competition with the European product. Hats intended for this trade should be of light weight, and whenever practicable ventilated with eyelets or other devices on the sides or top, or in other manner suited to the style of hat.

PETROLEUM DEPOSITS—BANANA CULTIVATION.

Petroleum of excellent illuminating properties exists in this State. Although many attempts have been made in the past to develop this industry, all have failed, owing, it is alleged, to insufficient capital, poor management, or crude implements employed.

Recognizing the petroliferous nature of certain sections of Tabasco a wealthy English corporation has been exploring for petroleum for a year or more in the southern part of the State. It is now reported on what appears to be reliable authority that its operators have finally succeeded in obtaining an abundant supply of oil of excellent quality for illuminating purposes and that the corporation intends to establish important refining works on its properties if the flow of oil shows no sign of abatement and is of sufficient extent to warrant the expense of installing an extensive refining plant. The outlet for the products would necessarily be Frontera, as no other point of shipment is available.

Banana cultivation in the State of Tabasco, which is peculiarly adapted to its growth, has assumed important proportions during the last two years. Plantations are springing up in all directions and the acreage is being extensively increased. This is due to the demand for this fruit in the State of Texas, which has been judiciously fostered by the Southern Steamship and Importing Company of Galveston, which has established a weekly service between this port and that city and is exclusively engaged in the fruit trade, especially in bananas. The steamers of this company receive a subsidy from the Mexican Government for each round trip they make to this port.

Of the river lands, which until a few months ago were allowed to remain uncultivated to a great extent, hundreds of acres are now being converted into banana plantations. A number have already

reached an advanced stage of production and are regularly supplying bananas to the steamers of the company mentioned. It is claimed by connoisseurs that the Tabasco banana is equal in all respects to that of Honduras, which is in such universal demand in the United States.

GUADALAJARA.

By CONSUL SAMUEL E. MAGILL.

Guadalajara is the second city of Mexico in wealth, population, and commercial importance. Its population is about 125,000, and it is the capital of the State of Jalisco, with its 1,250,000 inhabitants, the most populous of the Mexican States. Located in the center of the western part of the Republic, the city commands the trade of rich mining and agricultural districts, making it the distributing center for a region where a complete failure of crops is unknown and where the mineral wealth is undoubtedly great. It is now and will probably remain the most important city on the Pacific slope of Mexico.

The climate of this district is believed to be as fine as that of any locality in the world; never very hot in summer nor cold in winter, a happy medium is maintained throughout the year, making it an ideal place for residence for those who want plenty of sunshine with cool nights.

The altitude of Guadalajara is about 5,000 feet above the sea, and there are two seasons, the wet, from June until November, and the dry, from November to June, with occasional showers during the month of January.

MUNICIPAL AFFAIRS—AGRICULTURE—MINERALS.

The city has well-conducted hospitals; public, parochial and private schools; prisons, asylums, and a large theater; the police force is large and well handled, life and property being well protected; the streets are well lighted by electricity; and the tramways are run by electric power. Almost all of the streets are paved, most of them with rough cobblestone, but many with asphalt and a few with macadam. The water supply is of good quality though not abundant, and arrangements are about completed for an additional pump, but larger pipes and conduits are needed to meet the requirements of the city, the population of which is bound to grow rapidly.

The State of Jalisco is preeminently agricultural; the chief crop is corn, while wheat, sugar, oranges, lemons, maguey, and tobacco are successfully grown. In comparison with some other States, Jalisco is not a large producer of cattle, but sufficient are raised for home consumption and the hacendados are importing blooded cows from the north, by means of which the quality of the local herds is being greatly improved.

The mines of this district are producers mainly of silver, gold, copper, lead, and zinc. Iron ore is also mined. In common with all mining sections in Mexico, this district suffered in 1907 and 1908 from the general financial stringency, which caused many mines to cease operations and nearly all to slacken their work. The proposed change in the federal mining law of this country, whereby all new mining companies must have Mexican charters, caused a suspension of min-

ing investments by foreigners until the Mexican Congress decided not to make the change.

While formerly much ore was shipped abroad, the mineral ores are now smelted or reduced in Mexican plants, thus cutting down the value of declared exports but increasing the actual value of the mines to this district and the nation.

There is some timber in this district which is accessible to railroads, but large tracts of pine and hard woods on the Pacific slope can not now be profitably cut owing to their distance from any practicable means of transportation. •

BUILDING MATERIAL—WATER POWER—FUEL.

Nearly all buildings of this city are constructed of adobe brick with a covering of cement. Some stone is quarried and used, but the adobe is so much cheaper and wears so well that its use is almost universal, from the fine residence to the "jacal" of the peon. Lime in abundance is found near Guadalajara. Wood is used in construction only for door and window frames; all floors are of tiling of local make. Galvanized and corrugated iron sheets are much used, the best qualities of which are imported from the United States. As compared with an American house, not much glass is used, as that used is imported from France and Belgium and is expensive.

The several streams rushing through this district to the Pacific Ocean can furnish great water power—100,000 horsepower being already available for light and power in Guadalajara and near-by towns. About as much more is being developed by a local company recently financed, which will furnish power to factories and mines, and which has also a concession to compete for the lighting of this city. In addition there is estimated to be 35,000 horsepower possible of development, thus insuring an abundance of cheap power when needed.

The production of fuel oil in other parts of Mexico together with the local water power are factors that make manufacturing cheap in this district, and the fact that there is coal to be mined is a valuable asset in the wealth of Jalisco. A concession has been granted to a company to manufacture fuel gas and pipe it over the city for cooking purposes. It is proposed to use the local coal, which has the desired qualities.

RAILWAY EXTENSIONS—HEALTH AND LABOR.

The Mexican Central Railroad is the only line that runs into Guadalajara. From the east is a line which connects this city with the main line to El Paso, Texas, and Mexico City, while to the west a branch runs to Ameca, Jalisco; and the recently completed line to the port of Manzanillo on the Pacific Ocean is now open, so that passengers and freight to and from Mexico City and American Pacific ports pass through Guadalajara. The transcontinental line from Tampico, on the Gulf of Mexico, to Manzanillo, on the Pacific Ocean, is also completed.

The Southern Pacific Railway Company is building toward this city from the north, and its line will add greatly to the importance of Guadalajara when completed. In 1909 a part of this road will

be opened into this city, giving the rich mining districts of the northern part of Jalisco and the rich agricultural region around Tequila a much-needed railroad connection. The contract with the Mexican Government requires that the Southern Pacific Railway be completed from Nogales to Guadalajara by 1914; it will take at least three years' hard work to put the road through, as the grading in places is heavy and expensive.

The general health of Guadalajara is good and the sanitation of the city is thorough. The city is clean and the drainage system fair. The death rate is not low, but the heavy mortality is due to the numerous deaths of children of the poorer classes under five years of age. Another cause is the careless indifference to sudden changes in temperature, resulting in a large mortality from pneumonia and kindred diseases.

Native labor is cheap and fairly good, with wages ranging from 50 centavos (25 cents) per day for farm hands, to 150 centavos (75 cents) per day for bricklayers and carpenters. American laborers intending to come into this part of Mexico should do so only on contract with reliable concerns and for satisfactory wages definitely understood.

TRADE OF THE DISTRICT—SALES TO THE UNITED STATES.

Guadalajara buys much from the manufacturing nations of the world; from the United States come hardware, lumber, drugs, medicines, wagons, automobiles, shoes, corsets, cotton goods, machinery, groceries, canned goods, liquors, etc. It is not possible to secure even approximate data as to the amount of such goods imported into this city, but the field is well worth the efforts of American manufacturers, as in some lines European merchants control the markets where Americans should sell, but it will require careful and consistent effort to get the trade.

The declared exports from this district to the United States during 1908 were as follows:

Articles.	Value.	Articles.	Value.
Documents.....	\$2,000	All other articles.....	\$47
Garlic.....	500		
Hides.....	26,537	Total.....	95,736
Household effects.....	509	Bullion: Gold and silver.....	3,914
Nuts, pecans.....	56,678	Returned American goods.....	9,000
Oranges.....	7,828		
Ore.....	1,100	Grand total.....	108,650
Pottery.....	537		

The manufacturing interests of this district are small. A few cotton mills, a flour mill, a tannery, a shoe factory, and a tile works about complete the list, and the products are sold only locally.

HERMOSILLO.

By CONSUL LOUIS HOSTETTER.

Hermosillo, the capital of the State of Sonora, is situated on the Sonora River, about 184 miles south of the United States border, on the line of the Sonora Railway, which is a branch of the Southern Pacific.

Besides being the capital of the State, it is the headquarters of the Northern Military Zone, which makes it a very important point. By its last census the city had over 12,000 inhabitants, among whom were quite a number of foreigners.

Most of the wholesale business of the State was formerly done from Hermosillo, but on account of the Yaqui Indian troubles, freighters refused to deliver merchandise, and a large portion of the trade was diverted to the northern portion of the State and to Chihuahua. However, with peace assured and a treaty already signed, the Chamber of Commerce of this city is making great efforts to regain lost ground and to further advertise the State and Hermosillo in particular.

It is claimed that a railroad concession has been secured to build a road from this city to El Paso through the Ures district, which is very rich both in mines and in products of agriculture. From Hermosillo the road will probably be built west to some point on the coast, near the Tiburon Island, where a new town is to be built, and connect there with a ferry across the Gulf to Lower California and then on to the Pacific coast, where there is a very good harbor. From this point a line of steamers for the Far East is contemplated, making a route shorter by 5 to 6 days than any other line. This route would be of the greatest assistance and benefit to the State of Sonora, as it would not only open up some rich agricultural country, but give the State a competing line, which it very much needs at the present time.

The Cananea, Yaqui River and Pacific Railroad, which it is claimed will soon be completed and opened for traffic as far as Guadalajara, will also open up a new country—one very rich in mining, agriculture, rubber, timber, tobacco, and semitropical fruits. These will find a market in the United States, which has been practically cut off from this trade, and this section of the country will also be benefited by being able to send farther south its more hardy fruits and grain.

TRADE OF THE CITY—TANNERIES—BREWERY.

The wholesale trade of this city is done by 10 general merchandise houses, 3 dry and fancy goods houses, 2 hardware houses, 2 houses handling American wagons and farming machinery, and 1 foundry, which also handles pumps, engines, etc. The shoe factories, which formerly were entirely in the hands of Chinamen, have undergone a change. Several of the wholesale and commission houses have started factories which have done well. The manufacture of men's furnishing goods, such as shirts, overalls, and clothing, is in the hands of Chinamen, except for one of the wholesale dry goods houses, which does its own manufacturing. A large cracker factory owned and operated by Americans has a large trade; it paid on its capital stock of \$100,000 a dividend of 29 per cent. The company has secured a concession from the governor of Jalisco to erect a factory in Guadalajara, which is to supply the wants of the southern portion of the Republic.

The tanneries of the town turn out about \$1,000,000 worth of leather annually, and while formerly their output consisted principally of a very poor quality of sole leather, they are now turning out all kinds, such as harness, skirting, collar, and a fair article of sole leather, besides deerskins, calfskins, goatskins, and horse and burro hides. All these tanneries have good American machinery and employ American workmen. The Cervceria de Sonora, the largest brewery in the

State, is also located here, and does over \$500,000 worth of business every year, most of its material coming from the United States. There is also a whisky distillery which claims to have increased its business over 100 per cent during the last year. There is a packing house which supplies the town and surrounding country on the new railroad with beef and ice, and between 20 and 30 head of cattle are killed daily.

MUSICAL INSTRUMENTS—BANKING—COTTON-MILL OUTPUT.

Pianos, pianolas, and phonographs, especially the latter, find a large and ready sale here. I believe that three-fourths of the residences are supplied with them. The people here are great lovers of music, and no matter how poor the home one will find therein some musical instrument. Sewing machines, also, are considered necessities. The sale of wagons and farming implements is increasing, and notwithstanding the recent hard times dealers say they are well satisfied with last year's business and look for a fair increase this year.

The recent hard times have had no appreciable effect on the banks here. The Banco de Sonora, the largest institution of its kind in this section, with five branches in the State and one in Chihuahua, has a capital of \$1,500,000 and a reserve of \$950,000. Its stock, par value \$100 per share, is worth \$260. It paid a dividend of 16 per cent as a result of last year's business, besides laying a large sum aside for its reserve. There are four other banks here, all branches of larger institutions in the Republic.

A cotton mill, situated about 30 miles from Hermosillo, was erected by Hermosillo capital. Its capital stock is \$500,000 United States currency, of which \$325,000 is paid in. Its output last year was valued at \$450,000 and its consumption of cotton was about 1,000,000 pounds, one-third of which was raised here and most of the balance bought in the United States. It employs about 300 hands, uses water power, and has a 300-horsepower Corliss engine, besides an electric plant. Its looms were bought in England. The mill has paid interest on its stock on an average of 10 per cent per annum. Its products are principally denims, duck, tickings, and unbleached cottons.

DEVELOPMENT AND PRODUCTS OF THE COUNTRY.

In the Yaqui River Valley country, since the completion of the railroad to that point, a large company, owned and controlled mostly by Americans, has made great efforts to secure American farmers as settlers, and so far has sold over 20,000 acres of land in lots of 40 to 500 acres, mostly to Californians. Some of these farmers are already at work improving their land, and at a place called Ontagota they have formed an association and put aside 125 acres for raising melons exclusively. As these ripen some time before melons do in California, the farmers expect to market them in the United States. It is also planned to make a specialty of tomatoes and other early vegetables for the export trade. This land company has built a large irrigating ditch, which is 25 miles long and is 65 feet wide at the base. The canal is to be extended 25 miles, 3 miles of which is built but not connected with the other.

The main line of the Cananea, Yaqui River and Pacific Railroad is from 2 to 12 miles distant from the lands under cultivation, but within a year a branch is to be built, dividing the entire delta from east to west, which will bring several hundred thousand acres much closer to transportation.

The chief staples of the valley are wheat, corn, garbanzos, cotton, sugar cane, and tomatoes; in fact, all kinds of vegetables and semi-tropical fruits yield abundant crops. Fruits do well, and with the coming of the American farmer the valley will no doubt become a large factor in the supply of goods for export. So far the valley has had only the city of Guaymas as an outlet for its products, but the railroad has opened the markets of the United States and this will build up not only this section but the entire eastern portion of the State. Farmers around Hermosillo and along the Sonora River, as well as those who had to abandon their farms on account of the uprising of the Yaqui Indians, are all preparing to develop and plant their ranches on a larger scale than ever before. An American has leased a 150-acre ranch within the town limits of Hermosillo and intends to make a specialty of early fruits and tomatoes for export. He intends also to import some good milk cattle and start a dairy and butter-making establishment.

MINING OPERATIONS.

This district has some of the richest mines in the State, the largest producer being the Creston-Colorada. It is situated in the Minas Prietas district near the town of La Colorada, about 35 miles south of Hermosillo. The property consists of a ranch containing 5,000 acres and 150 mining claims. It has over 700 employees and has mills that treat 500 tons of ore daily, being well equipped with all kinds of modern machinery, besides a large electrical plant and three tramways. It consumes annually nearly 1,000,000 feet of lumber, 1,800,000 pounds of lime, 54,000 pounds of cyanide, 100,000 pounds of zinc, and over 20,000 cords of wood.

In the districts of Hermosillo, Alamos, Ures, and Sahuaripa there are from 75 to 100 good mines already opened up. In fact, the whole State seems to be full of minerals. Although the mineral wealth of Sonora has been known for a great many years, the State has been practically closed to miners on account of the Indians, but with peace assured prospectors are flocking into the State and everything points to a thorough examination of its deposits. The opening of the mines will create a great demand for American machinery and material as well as for American miners.

The principal products of the mines are gold, silver, and copper. Coal deposits are reported to have been found in different parts of the State, but so far none of any importance has been developed.

EXPORTS TO THE UNITED STATES.

The declared value of exports to the United States in 1908 was \$1,983,814, against \$1,411,945 in 1907 and \$89,552 in 1906. The articles in 1908 are shown in the table at top of page 171.

Articles.	Value.	Articles.	Value.
Bullion.....	\$1,747,862	Oranges.....	\$366
Cyanide.....	6,488	Ores.....	80,902
Garbanzos (chick-peas).....	65,783	Watermelons.....	1,349
Graphite.....	1,839	All other articles.....	974
Guanos.....	150		
Hides.....	76,573	Total.....	1,963,814
Horns.....	1,528		

The declared value of exports to the United States from the Alamos agency in 1908 amounted to \$571,933. The articles were as follows:

Articles.	Value.	Articles.	Value.
Bullion:		Cyanide precipitates:	
Silver and gold.....	\$14,389	Gold.....	\$22,282
Silver.....	1,272	Silver and gold.....	248,735
Silver and lead.....	22,515	Ore.....	22,544
Concentrates.....	81,838		
Copper matte.....	158,358	Total.....	571,933

The declared value of the exports from the Guaymas agency to the United States for 1908 was \$531,296, against \$1,150,979 in 1907. The articles and their values were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bullion:			Minerals, ore, etc.—Cont'd.		
Gold.....		\$37,708	Ore—Continued.		
Gold and silver.....	\$656,476		Lead.....		\$3,179
Lead.....	28,386		Silver.....	\$91,647	111,609
Silver.....		23,726	Zinc chlorides.....		8,000
Minerals, ore, etc.:			Salt.....	2,844	866
Bismuth.....		19,422	Vegetables.....	67,384	70,136
Concentrates, silver.....		87,002	Other articles.....	92,675	4,286
Copper matte.....	136,785	68,657			
Cyanides, gold.....	52,975	44,823	Total.....	1,150,979	531,296
Ore—					
Gold and silver.....	21,807	51,882			

LA PAZ.

By CONSUL GEORGE B. McGOOGAN.

This consular district covers the southern half of Lower California and has an area of 30,000 square miles, divided into two political divisions—northern and southern. La Paz, the capital of the southern division, contains 4,000 inhabitants and is the commercial and political center of this consular district. The district is governed by a jefe politico, appointed by the President of the Republic.

The people have great respect for the law, and life and property are well protected. There is a good public-school system, and attendance is compulsory between the ages of 6 and 12. La Paz has a very interesting history. It was visited by the early Spanish explorers, among them Cortez. Its harbor, with that of Pichilnqui Bay, at which the United States Government has a coaling concession, was the rendezvous for many years of the pirates on the Pacific coast. La Paz was visited in its early history by Jesuit missionaries, and some results of their labors still exist.

AGRICULTURE—MINING—MANUFACTURES.

The agricultural resources of this district are very small, owing to the lack of rainfall and limited possibilities of irrigation. Soil and climate are well adapted to the cultivation of all kinds of semitropical fruits. Oranges, grapes, dates, mangoes, aguacates, cocoanuts, etc., of a very good quality are produced, but in quantities sufficient only for the local market.

Manufacturing is limited to one tannery, a pearl-button factory, and two small Chinese shoe factories, none of the output of which is exported to the United States.

There was a good deal of prospecting done for mines in the last year, but no definite results were obtained. The gold production for 1908 was \$100,137, a decrease of \$13,170 from 1907, and the silver produced in 1908 was \$86,333, a decrease from the previous year of \$17,564.

A statement of the imports can not be furnished, for the reason that nearly all foreign goods received here are cleared and their taxes are paid at Mazatlan or Nogales. There seems to be a growing tendency to prefer American-made to European goods. This is especially true in regard to furniture and musical instruments. The imports of American furniture, stoves, and hardware have greatly increased, owing to the fact that such articles are being more generally used. There is an inviting field for the American manufacturer in these lines.

The climatic and health conditions of La Paz are little known to the world. La Paz is situated at the level of the sea. Its temperature and barometric conditions are steady, with the right degree of humidity. Fogs are unknown, and the place is free from malaria and other malignant diseases found in tropical lands. The absence of storms and an extremely small rainfall make La Paz, from the 1st of November to the 1st of June, an ideal pleasure and health resort.

When the Kansas City, Mexico and Orient Railway, now building, is completed to Topolobampo, it will place La Paz in direct communication with the interior of Mexico and with the United States. Topolobampo is situated across the Gulf of California, 120 miles from La Paz. No doubt steamship communication will be established between the two places after the completion of the railroad, giving a service of perhaps three round trips a week. If this proposition is carried out, the building of a large modern hotel in La Paz would undoubtedly prove a profitable investment.

CONDITION OF INDUSTRIES—DECLARED EXPORTS.

There is nothing worthy of note in the agricultural situation in this district. No new industries were started in 1908, and while there was considerable prospecting for gold and silver the amount mined decreased in comparison with 1907.

American capitalists are investigating the merits of a formation of white marble near Todos Santos and of kaolin deposits near Nulege. There is said to be hope of a revival of the orchilla moss industry on the western shore of the peninsula. The orchilla moss is found in large quantities on the shore near Magdalena Bay and was at one time the source of a flourishing business, but its product has been supplanted by a cheaper dye.

The value of the exports to the United States in 1908 was \$205,204, against \$254,637 in 1907. The articles and their values in 1908 were:

Articles.	Value.	Articles.	Value.
Copper.....	\$375	Silver.....	\$86,334
Damiana.....	5,071	Tan bark.....	6,119
Gold.....	100,138	Tomatoes.....	1,231
Hides.....	465	All other articles.....	84
Ittle.....	179		
Lead.....	182	Total.....	205,204
Sharks' fins.....	5,026		

The value of the imports into La Paz from the United States in 1908 is estimated at \$105,000.

MANZANILLO.

By. CONSUL ARMINIUS T. HAEERLE.

In 1898 the Mexican Government granted a concession to the Mexican Central Railroad to build a branch road from Guadalajara to Manzanillo, and the completion of this line in December, 1908, marks the beginning of a new era in the commercial history of the State of Colima, which forms the central part of this district. One of the greatest handicaps to the development of a small but richly endowed State has thus been removed, and Colima, formerly cut off from the interior, now has the direct advantage of a railway that connects the port of Manzanillo, on the Pacific, with the interior and with Tampico on the Atlantic.

In the short period of one month after the inauguration of the new railway there were evidences of activity that surpassed all expectations. Native hats, rice, sugar, and other products are now being exported in increased quantities and large amounts of wheat are shipped from the United States over the new line to Zapotlan and Guadalajara. The importation of the latter article, however, must be partly attributed to the temporary reduction of duty of 2 centavos per kilo (1 cent gold per 2.2 pounds).

This new activity is further manifested by the fact that the Jebson Line has ordered several of its vessels to ply regularly between the United States and Manzanillo and other Mexican ports. It is also rumored that two other oceanic lines, one from China and one from Japan, have made arrangements to run between Manzanillo and those two countries.

SHIPPING CONDITIONS—OPPORTUNITY FOR EXTENDING TRADE.

Previous to the opening of the Mexican Central Railroad vessels were compelled to load and discharge in open bay and incur in addition to the usual charges of all Mexican ports the extra expense of lighterage, amounting to \$5 to \$6 gold per ton. Vessels may now land at the Mexican Central wharf, which is being extended to a length of 702 feet. There are no wharfage dues, and the cost of handling freight from boat to car is from 75 cents to \$1.62 gold. The charges for dispatching the vessel are fixed, being regulated by public tariff.

Guadalajara, a city of growing importance in the State of Jalisco, imports merchandise to the amount of about 5,000,000 pesos, or \$2,490,000 United States currency, annually, which in the past has been carried overland from the distant port, Tampico, on the Atlantic. These goods come from Europe, but if American houses desire export trade and enter into competition, a large amount of this trade can be obtained by firms in the western portion of the United States, shipping through the port of Manzanillo and thus reducing the overland transportation required by about two-thirds. This means not only a shifting of routes from the east to the west, but also an increased demand in the interior of western Mexico for perishable supplies, such as potatoes, apples, and other fruits not now obtainable, in exchange for cocoanuts, bananas, pineapples, and perhaps other tropical fruits for California and other Western States.

There is considerable demand for claret wines, which are imported from France and Spain instead of California. This is partly due to the very few representatives of California wine merchants who come here and to the freight charges for the short distance from California, which are almost equal to the cost of transportation from Europe. With the new competing line, however, the obstacle of high rates will probably be removed, so that California wine merchants and other business men will find it more profitable to introduce their goods into Mexico. It is a matter of comment that salesmen have lately appeared in increased numbers from European and even oriental countries in anticipation of new markets, while no American salesmen have availed themselves of the new opportunities.

MINING AND LUMBER INTERESTS—AGRICULTURE.

It is only during the last ten years that mining in Mexico has developed into one of the most important industries. Most of the American capital has been invested in old historic mines worked by the Spaniards or even the Indians previous to the arrival of the Europeans. But new fields are being sought now, and recent prospecting in this district seems to indicate that it is not of agricultural importance alone, as hitherto supposed, but that it also contains an abundance of copper. A mining and developing company equipped with modern machinery is about to establish a smelter that will handle from 40 to 70 tons of ore per day. While nothing definite can be said of oil and coal, indications of these have been discovered that will at least lead to a thorough investigation by experts in the near future.

The west coast of Mexico abounds in beautiful and valuable cabinet woods. Several lumber companies have recently been formed, introducing modern machinery and building roads and flumes. It is necessary, however, to make a careful study of Mexican woods, as some of these have not the durable qualities of the same species in northern countries and are therefore of less value. Another disadvantage is the difficulty of transportation to the coast, which is a problem that should be most carefully considered before one engages in the business of exporting lumber from Mexico. But while difficulties of transportation are great and the business requires men who know the language and customs of the country and are apt in handling the native labor, the opening up of the lumber business here can not be too strongly encouraged owing to the abundant and valuable material.

This district is very fertile, but its agricultural resources are little developed. There is a great scarcity of vegetables, for which there ought to be a good market, and truck farming might be made profitable if judiciously handled. The staple products are rice, sugar, tobacco, cocoanuts, bananas, pineapples, oranges, and a variety of other tropical fruits. None of these is raised in abundance and there is ample room for further development. Limes go to waste for want of a market, while they could be used to great advantage in the manufacture of limeade.

COMMERCE OF THE DISTRICT.

The total value of imports into Manzanillo in 1908 was \$241,717, against \$341,369 in 1907, a decrease of \$99,652, principally due to the importation of rails in 1907 from Germany and bridge material from Belgium for the Mexican Central Railroad to the amount of \$172,385. The imports, by countries of origin, are shown in the following table:

Country.	Value.	Country.	Value.
United States.....	\$140,973	Japan.....	\$43,174
Austria-Hungary.....	1,312	Spain.....	1,924
Canada.....	11,721	United Kingdom.....	6,366
China.....	1,407	All other countries.....	1,156
France.....	7,215		
Germany.....	23,592	Total.....	241,717
India.....	2,877		

The leading articles of import from the United States, France, Germany, and United Kingdom and the amount received from each country in 1908 were as follows:

Articles.	United States.	France.	Germany.	United Kingdom.
Arms and ammunition.....	\$5,116	\$54		
Breadstuffs.....	10,079		\$125	
Cement.....			5,546	
Chemicals, etc.....	2,478	11	862	\$488
Fruits, all kinds.....	4,732		147	
Instruments, musical.....	322	13	82	
Iron and steel, manufactures of:				
Bar.....	1,667		809	485
Bridge materials.....	44,563			
Ironware, etc.....	2,372	76	3,025	403
Machinery.....	18,265		4,425	
Nails, bolts, etc.....	1,405		57	
Pipes.....	3,815			
Plows.....	2,255		71	87
Tools.....	2,891	134	382	54
Wire, all kinds.....	2,968			
Leather, and manufactures of:				
Boots, shoes, and slippers.....	3,492	37		3
Other.....	101	44	107	
Oils.....	2,159	179	185	54
Paper, and manufactures of.....	346	1,038	424	
Provisions:				
Butter and cheese.....	726		48	
Meats, all kinds.....	2,609		76	
Spirits, wines, etc.....	1,333	4,687	358	39
Textiles.....	1,133	93	1,126	1,519
Wood, and manufactures of:				
Furniture.....	1,097			
Ties.....	14,333			
Other.....	1,875	30	662	
All other articles.....	8,841	919	5,075	3,224
Total.....	140,973	7,215	23,592	6,366

The principal articles imported from Spain were wines, valued at \$1,221, and cigarette paper, \$253; China, silk goods \$987, tea \$181, and fireworks \$100; India, jute sacks \$1,502, and spices \$1,172; Japan, railroad ties \$42,000, and silk goods \$1,118; and Canada, coal \$9,864, and wood \$1,299.

EXPORTS TO THE UNITED STATES.

The total exports from Manzanillo to all countries in 1908 were valued at \$36,144, a loss of \$130,469 from 1907. The articles shipped to the United States during the past four years and the amounts for each year were as follows:

Articles.	1905.	1906.	1907.	1908.
Coin.....	\$2,475	.....	\$25,500	.....
Coffee.....	1,797	\$6,267	2,060	.....
Hides.....	18,908	8,631	12,588	\$14,410
Rubber.....	539	217	701	149
Sharks' fins.....	120	140	1,268	224
Woods.....	18,750	19,000	.....	12,450
Other articles.....	743	253	1,657	561
Total.....	43,332	34,508	44,404	27,794

MATAMOROS.

By CONSUL CLARENCE A. MILLER.

It is only as a hide market that Matamoros is of any commercial importance, about 66 per cent of the exports from this district being hides and skins. During 1908 exports from this district decreased about \$21,000, about \$15,000 of which was in hides and skins. This decrease is probably due to the fact that the local dealers sent part of their hides and skins to Monterey and Laredo, as the cost of transportation via those points is a little less than it is from this point directly to New York. There is no doubt that Matamoros is declining in importance as a hide market, but if the present prospects for better transportation facilities are realized its importance will again increase.

The decrease of declared exports is also partly due to the fact that during 1907 about \$11,000 worth of cotton was exported from this district and none in 1908. In fact, 1907 is the only time in over ten years in which this article appears as an export from this district. There was an increase in nearly all other articles of export, especially beeswax, bones, hair, and cotton seed. The declared exports for 1908, while about 33 per cent less than those for 1907, were greater than those of any other year during the last ten except 1901 and 1902.

The declared value of exports to the United States in 1908 was \$44,207, against \$65,467 in 1907 and \$31,569 in 1906. The articles in 1908 were: Live animals, \$614; beeswax, \$1,005; bones, \$1,002; cotton seed, \$4,665; hair, \$5,029; hides, \$13,456; horns, \$528; skins, \$17,805; all other articles, \$103. The most significant increase is that shown in cotton seed, which rose from \$2,636 to \$4,665. More cotton is being raised in this district, but while the seed is exported to the United States the cotton is sold to factories in the interior towns.

VALUE OF IMPORTS.

Figures showing the imports for the calendar year are not obtainable at this time. For the year ended June 30, 1908, the value of the imports into this district was estimated to be as follows: Coffee, \$37,881; lard, \$21,042; machinery, \$17,720; thread, \$8,072; oil, \$4,183; sugar, \$3,183; tobacco, \$2,836; wire, \$790; other articles, \$22,685; total, \$118,392.

All of the imports except the sugar, which came from Germany, the thread from England, and the wire from Germany, came from the United States. Thus of the total amount of imports about \$106,000 came from the United States.

The German sugar is being replaced by the Mexican product; the coffee, lard, soap, and oil, which came from the United States, are also being replaced by the native product; and the tobacco, instead of being imported in the manufactured form, is being bought from the interior factories. The only items of import which are increasing are those of machinery and lumber. On account of the agricultural development, machinery is constantly being imported in increasing quantities. Foodstuffs, clothing, and furnishings are also bought at retail in Brownsville, Tex., by the residents of Matamoros.

AGRICULTURAL DEVELOPMENT AND POSSIBILITIES.

This district, being situated in the lower Rio Grande Valley, is rich in agricultural possibilities. While heretofore, on account of the light rainfall, cattle raising was the main industry, agriculture is now looked upon as the chief means of development. The successful use of irrigation on the Texas side of the river is to be followed on the Mexican side. Already several small pumping plants have been installed and a company, which owns over 2,000,000 acres of land and has been granted the right to use 80 per cent of the water from the lower Rio Grande to which Mexico is entitled, has already made arrangements to build a large gravity canal which will carry the water from the river over its vast expanse of land. This has been made possible by the government policy of granting subsidies for irrigation purposes. Following the successful completion of canals for irrigation purposes will come the subdivision of the large tracts of land. Then will be possible the practical development of this wonderfully fertile land.

It has been demonstrated on the Texas side of the river that sugar cane is the staple crop. Already in the vicinity of Brownsville, Tex., there are being operated two sugar mills, one of them said to be the largest in the world, and it is not too much to expect that when both sides of the valley are properly developed this will be a great sugar-producing district. Other staple crops are cotton and corn. Both are being successfully cultivated. Also a few cotton trees are growing here, but as yet it is not known whether they have a commercial value. The cotton is sold to the native factories in interior towns and the corn is sold in Matamoros for local consumption. Although two crops of corn are raised per year, the supply is not equal to the demand, owing to the fact that corn forms a large part of the daily food of the poorer classes.

This district is well adapted for truck farming. The winter vegetables can not be excelled, and if this industry were conducted on a large scale a ready market could be found for the produce in the interior cities, such as Monterey and Saltillo. The early watermelons are very similar to those of Georgia in both size and flavor.

GROWING OF FRUITS AND NUTS.

Horticulturists who have studied conditions here and have experimented say that all conditions are favorable for the successful cultivation of the pecan, the date, the fig, and the English walnut. Some also say that citrus fruits can be successfully cultivated, but in the opinion of others such an industry in this locality would be only a gamble. This was demonstrated by the recent cold spell (below freezing) which gave the industry a serious setback in this region. Conditions are not favorable for the successful raising of bananas. I believe that parties wishing to raise bananas and citrus fruits would do better to go nearer to the Tampico district. It is also thought that pineapples would thrive near the coast in this district. It is believed that the mulberry tree can be successfully grown. If this is true, this would be an ideal location for the development of the silk industry, because the Mexican women and children are particularly adapted to work of this nature.

There is an abundance of cactus and mesquite. The valuable properties of these are just becoming known. From the cactus a company in El Paso is making fiber, paper, and denatured alcohol. From the mesquite can be made furniture and paper. The bark of this tree also contains tannic acid, but as yet it has not been demonstrated that this property can be used commercially. Fiber plants, such as henequen and zapupe, and the candelaria, from which rubber and wax can be extracted, are successfully grown in the southern part of this district.

CATTLE RAISING—MINERAL DEPOSITS—GAME.

Cattle raising at present is the chief industry. There are in this district between 75,000 and 100,000 head of cattle, about 20,000 horses, 20,000 mules, 50,000 sheep, and as many goats. The cattle are poor, but some few breeders who are attempting to bring up the standard obtain very good results by importing bulls from the United States and breeding them with the native stock. A great many mules are sent from this district to Cuba, where they are used on the large plantations and on public work. As mules are scarce in south Texas, some of the newcomers purchase their mules in Matamoros. While these mules are not as large as the Missouri mules, they give general satisfaction.

About 50 miles from Matamoros a large sulphur mine covering about 50 acres has been discovered and the concession properly taken out. Caves of bat guano have also been discovered, one or two of which were reported to have been purchased during the past year by an English company. A large marble deposit has also been discovered. A company is now being organized to exploit still another marble deposit which is situated near the border of Tamaulipas and Nuevo Leon.

There are many indications that the greater part of this State may become an oil field. Oil men have been giving a great deal of attention to the prospects, and leases have been consummated for the testing of large tracts.

There is an abundant supply of game. Ducks, quail, turkeys, deer, etc., are readily found by the hunter. There are no game-law restrictions. Several times parties in Brownsville have attempted to build up a business by sending ducks and fish to places in the North, but so far these attempts have failed because of lack of sufficient capital or proper personal attention. A fishing concession has been granted by the Government, but as yet nothing has been done under it.

INDUSTRIAL ACTIVITY AND CONDITIONS.

A firm of this city has a small soap factory. This represents an investment of about \$5,000 American money and has an annual output of about 15,000 50-pound boxes of common washing soap. This soap sells for about \$3.50 American money per box, and all of the product is consumed locally.

There are 3 cotton gins, and it is estimated that about 300 bales of cotton are ginned annually. A small canning factory started last year, representing an investment of about \$250 American money. Its product of about 1,000 cans of tomatoes was consumed locally. There is also a nixtamal which grinds the corn from which tortillas are made. There are two small cigarette factories, using American tobacco, which make shuck cigarettes. Their output is small and is consumed locally.

There is a considerable amount of drawn work made here. This forms what might be termed a "home industry," and it is by this method that most of the poorer families earn their livelihood. The women of the family toil early and late on this work in their homes and thus eke out a slender living. There are three women in Matamoros, each of whom has about a half dozen girls working for her, but outside of these instances all of this work is done by families or individuals who make a few pieces at a time. When completed the articles are sold to local curio stores, to local families, or to tourists.

There are perhaps more than 200 women and girls engaged in making this drawn work. There is no way of knowing how much of it is made in a year, but a rough estimate of its value would be about \$4,000 or \$5,000 American money. The three women above mentioned send their drawn work to Mexico City. The estimated value of the articles thus sent is about \$3,000 per annum. Most of the pieces are handkerchiefs, doilies, and shirt-waist patterns.

There are two workmen in this city who make a Mexican imitation of the Italian filigree silver work.

There is very little work for the laboring classes. Those that do find employment earn about 1 peso (49.8 cents American money) per day of actual work, but very few have steady employment. Painters and carpenters receive from 1½ to 2 pesos per day, but employment is uncertain. Quite a number of the men work on farms across the river in Texas and there receive about \$1 gold per day. During the cotton-picking season many laborers go to the cotton fields in Texas and a great many of them do not return to this place. On small

wages, aided by the little that the women of the family make from drawn work, these laboring men support large families. Their food consists of rice, tortillas, Mexican beans, meat, and coffee. Fortunately meat is cheap and most families have it at least once every day.

TRANSPORTATION FACILITIES.

This district is connected with Monterey and the interior of Mexico by a branch of the National lines of Mexico. The St. Louis, Brownsville and Mexico Railroad connects Brownsville, just across the river, with the railroads of the United States. The only means of transportation from Matamoros to Brownsville is by means of a small ferry. Passengers are taken over in small rowboats and freight is carried over on flat-bottom barges.

It is probable that work will be commenced within the next few months on an international bridge over the Rio Grande at this point. The United States Congress has already granted the necessary permission, and it is believed that the Mexican Government will do likewise. After the bridge is built the National lines which come into Monterey will be connected with the St. Louis, Brownsville and Mexico Railroad which comes into Brownsville. This will be of great benefit to international commerce and especially to American trade with this district. At present it is very difficult to transport any large amount of freight between the two countries at this point. Freight coming via Brownsville to the interior of Mexico must be hauled from the railroad station in Brownsville, a distance of about one-half mile, to the river by means of little two-wheeled carts. There it must be loaded on small barges, pulled across by hand, again loaded into small two-wheeled carts, and then hauled a distance of about 2 miles to the station of the National lines. It is very probable that when the bridge is built and the two railroads are connected a great deal more freight will pass between the two countries at this point.

The vast resources of the State of Tamaulipas are on the eve of development, and the indications are that it will be one of the richest States of the Republic. The United States should prepare to obtain this trade from the very beginning.

TRADE OPPORTUNITIES—RECIPROCITY.

The next few years will see an increasing demand for pumping and irrigation machinery of all kinds. When the canals are in operation there will be a large demand for agricultural machinery of all kinds. If the cultivation of sugar cane is as successful on the Mexican side of the river as it is on the Texas side there will in all probability be a demand for machinery for sugar mills. The demand for American vehicles of all kinds will gradually increase.

Salesmen selling hardware, cutlery, clothing, and drugs reported increased orders during the past year. Some household and office furniture has been bought from Brownsville stores. Mail-order houses should find an increased patronage during the coming year.

As far as this district is concerned, a reciprocity arrangement would seem to be beneficial to the United States. The only dutiable export is hides, which the United States needs. Under such an arrangement more vehicles, machinery, furniture, sugar, and grain would be imported, and this without detriment to the industries of Mexico.

The trade of this district, while at present small and unimportant, will surely increase with the coming development of the natural resources of this State. American merchants and manufacturers should keep a watchful eye on that development and strive to hold their own, not only with foreign competition but with the growth of the native industry as much as possible. It is from the latter that American trade has most to fear in the way of competition.

MAZATLAN.

By CONSUL HENRY P. COFFIN.

Mazatlan, with a population of 22,000, ranks as the leading seaport on the west coast of Mexico, and offers unusual opportunities to the American merchant and manufacturer. The export houses in the United States have seemingly failed to canvass this territory in a systematic manner, while the English, German, and French wholesale dealers have established commercial houses and banking institutions and have reaped substantial profits and dividends.

Despite the financial panic that swept over the United States in 1907 and 1908 the banks of Mazatlan were able to meet all demands and no failures were reported.

The Southern Pacific Railroad, realizing the almost unlimited possibilities of the State of Sinaloa and the undeveloped mineral and agricultural resources of the State, has rapidly pushed its railroad construction, which will soon reach Mazatlan.

Hundreds of Chinese immigrated to this section of the country during 1908. Some have settled here and are engaged in the retail grocery trade, while others have purchased small farms.

SEWERAGE SYSTEM—OUTPUT OF MINES—ADAPTABILITY OF SOIL.

In Mazatlan the most important municipal improvement during 1908 was the completion of a modern sewerage system installed at a cost of \$300,000.

The gold and silver mines of the State were worked to their full capacity and many new properties were exploited. Over \$2,500,000 in gold and silver bullion were exported to the United States.

No other State in Mexico has climate and soil better adapted for the cultivation of all varieties of vegetables and fruits than Sinaloa. The growing and shipping of tomatoes in the winter months to California and other Western States has become one of the leading industries of this section.

The cultivation of the ixtle plant or henequen is yet in its infancy. Many planters are setting out plants, and numerous stock companies are being organized to grow it on a large scale. The rope and twine made from ixtle find a ready market in the United States. In 1908 the exports of this fiber increased \$7,000 over 1907.

IMPORTS AND EXPORTS.

The imports into Mazatlan during 1908 were valued at \$1,977,587, of which the United States furnished articles worth \$988,905. The imports, by countries, were as follows:

Country.	Value.	Country.	Value.
United States.....	\$988,905	Japan.....	\$11,397
Austria-Hungary.....	6,819	Netherlands.....	12,358
Belgium.....	16,181	Portugal.....	4,221
China.....	3,647	Spain.....	49,434
Denmark.....	4,773	Switzerland.....	5,212
Ecuador.....	6,176	United Kingdom.....	374,183
France.....	88,157	All other countries.....	5,210
Germany.....	384,442		
Italy.....	16,472	Total.....	1,977,587

The principal articles of import in 1908 were as follows: Mineral products worth \$499,545; vegetable substances, \$404,636; cloth and other textiles, \$336,490; chemical products, \$195,089; machinery, etc., \$140,342; animal products, \$124,873; spirits, wines, and malt liquors, \$69,306; paper and paper goods, \$38,998; arms and explosives, \$68,970; and vehicles, \$6,404.

The value of the exports to the United States, including gold and silver bullion, declared at Mazatlan during 1908 was \$3,432,328, a decrease of \$331,972 from 1907. The articles are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Concentrates.....	\$312,201	\$617,447	Precipitates.....	\$62,601	\$92,730
Copper.....	2,681	2,020	Shrimps.....	15,697	225
Fish, dried.....	13,118	10,236	Tomatoes.....	13,710	4,401
Hides.....	19,985	1,561	All other articles.....	236,241	37,195
Ittle.....	25,364	33,053			
Matte, copper, gold, etc.....	54,216	17,218	Total.....	1,004,435	900,560
Ore:			Bullion:		
Copper.....	9,737	1,643	Gold.....	1,004,646	1,104,884
Gold.....	36,055	77,760	Silver.....	1,655,219	1,426,884
Lead.....	10,525	4,819			
Silver.....	192,304	252	Grand total.....	3,764,300	3,432,328

MEXICO CITY.

By CONSUL-GENERAL ARNOLD SHANKLIN.

The declared value of the exports, including bullion and returned goods, from Mexico City to the United States for 1908 was \$6,192,927, against \$1,985,466 for 1907, an increase of \$4,207,461. Increases were shown in the shipments of the following articles: Gold bullion amounting to \$3,918,751, none being exported in 1907; silver, gold, and lead bullion, \$1,008,166; hides and skins, \$153,512; diamonds, \$19,328; and sugar, \$19,851. The items showing the greatest decreases were: Silver and gold bullion from \$849,836 to \$423,948; copper, gold, and silver ore, \$243,600 to \$31,049; scrap metal, \$77,262 to nothing; and broom root, \$96,530 to \$17,936.

The articles of export to the United States during 1907 and 1908 are shown in the table on page 183.

Articles.	1907.	1908.	Articles.	1907.	1908.
Books.....	\$4,532	\$5,000	Pecans.....	\$23,696	\$36,695
Broom root.....	96,530	17,938	Sugar.....	6,792	26,643
Chilli.....	2,184	3,897	All other articles.....	44,305	28,150
Coffee.....	4,304	1,215			
Cotton waste.....	8,051	4,025	Total.....	911,429	734,703
Diamonds.....		19,328	Bullion:		
Fertilizers.....	14,794	14,915	Gold.....		3,918,751
Hats, palm.....	5,535	2,079	Silver.....	79,417	25,198
Hides and skins.....	332,657	498,169	Silver and gold.....	849,836	423,948
Horns.....	26,013	18,148	Silver, gold, and lead.....	18,997	1,027,163
Household effects.....	13,348	33,445	Returned American goods.....	125,787	63,164
Metal, scrap.....	77,262				
Oil.....	7,826	6,000	Grand total.....	1,985,466	6,192,927
Ore, silver, gold, and copper.....	243,600	31,049			

MONTEREY.

By CONSUL PHILIP C. HANNA.

During 1908 the city of Monterey and the country tributary thereto felt the effects of the general financial depression which appeared to prevail throughout northern Mexico. The reduction of mining operations, caused by declining prices, and the failure of crops, caused by continuous drought, appear to have contributed very largely to such conditions.

This depression was evidenced by an unusual falling off in the export trade between Mexico and the United States. The total exports, given in United States currency, in 1906 amounted to \$15,263,443, and in 1907 to \$14,148,011; while in 1908 the exports fell to \$10,854,340, a loss from 1907 of \$3,293,671.

It is generally conceded that imports from other countries amounted to much less than in former years, probably on account of the inability of the people to spend as much money for imported articles. However, goods of American manufacture continued in popularity, and the United States held its former proportion of the trade. It is believed that of the foreign manufactured goods brought into Monterey 85 per cent are of American manufacture.

MERGER OF RAILROADS—IMPROVEMENTS AND MINING.

The merger of all railroads entering this city has been completed and they are now under one general management, all passenger trains entering and departing from a new central station. The passenger service on all main lines has been greatly improved and the equipment will compare favorably with that of the best railroads in the United States. With four lines of roads running to the United States, and another line to Tampico connecting with steamships for New York, New Orleans, and Galveston, Monterey is one of the most conveniently located cities in Mexico for American trade.

In spite of a prevailing belief that times were hard and money scarce, there have been no bank failures and no failures among commercial houses of any considerable importance. Improvements throughout the city have been continued and there were more public and private buildings erected than in any other year in the past ten. The city has been equipped with a first-class electric-car system. The water-works and sewerage systems have been completed, and when sewerage

connections are made the sanitary conditions of the city will have been greatly improved. No new industrial plants were established in 1908, but most of the old plants were improved, enlarged, and better equipped. Nearly all continued in operation throughout the year. The steel plant is now manufacturing rails for some of the Mexican railroads.

While this is not considered an agricultural district on account of the scarcity of water, it is believed that by the building of reservoirs in the mountain gaps, large tracts of these lands can be made highly productive. During the rainy season the water fall is plentiful, and the subject of building reservoirs is being considered by many of the landowners in the State.

During the past year mining operations were not as active as formerly, and on account of depressed prices some of the mines ceased to operate. It is understood that there is now more activity in mining, especially in that of calamine or zinc ore.

EXPORTS TO THE UNITED STATES.

The declared value of exports to the United States in 1908, exclusive of returned American goods, was \$10,828,660, against \$14,121,155 in 1907 and \$15,250,477 in 1906. The articles in 1908 were:

Articles.	Value.	Articles.	Value.
Bones.....	\$1,586	Oranges.....	\$11,065
Calamine, zinc.....	199,590	Piloncillo.....	52,949
Cannabis indica.....	1,168	Pecans.....	2,587
Fiber, ixtle.....	76,033	Rubber.....	277,833
Furs.....	23,110	Silver, bar.....	1,860,957
Garlic.....	3,286	Skins.....	502,518
Guano.....	1,056	All other articles.....	745
Hair, horse.....	2,090		
Hides.....	211,753	Total.....	10,828,660
Jewelry.....	2,000	Returned American goods.....	35,710
Lead, argentiferous.....	6,840,179		
Lead, bar, refined.....	753,155	Grand total.....	10,864,370

NOGALES.

By CONSUL SAMUEL T. LEE.

During 1908 perhaps the most important development in this consular district was the completion of the Nogales-Cananea division of the Cananea, Rio Yaqui and Pacific Railway. This line gives a new outlet for the output of the great Cananea mining fields and will bring about the profitable working of the important Santa Cruz mineral region, which lies on the line of the railway nearly midway between Nogales and Cananea.

Financial depression, aggravated at times by the attitude of the Yaqui Indians, caused several mines to close down entirely and others to run on short time. At this writing (January 31), however, a feeling of renewed financial confidence is in evidence, and the Mexican officials and the Yaqui Indians have come to an agreement that gives reasonable assurance of continued peace.

Last July, after a complete shut down lasting several months, the largest mining corporation of this district resumed operations, and for the six months ended December 31, 1908, the company's pro-

duction of metals was as follows: Copper, 24,128,000 pounds; silver, 449,346 ounces; and gold, 3,045 ounces.

FOREIGN TRADE OF THE DISTRICT.

While the past year was generally quiet throughout the district, the total of declared exports to the United States was \$1,240,132, a gain of \$303,941 over the preceding year. At the Cananea agency, however, there was a decrease of \$3,948,760, the total for 1908 being \$5,529,732.

The value of imports into Mexico through the port of Nogales during 1908 amounted to \$2,507,486, a decrease of \$472,144 when compared with the preceding year. In this trade the United States was the country of origin for 92.62 per cent of the total imports against 90.5 per cent in 1907. Mexican customs duties to the sum of \$815,101 were collected in 1908.

In the following statement are shown the articles of import passing into Mexico through the port of Nogales in 1908:

Articles.	Value.	Articles.	Value.
Animal substances.....	\$304,510	Spirits, wines, etc.....	\$16,887
Arms and explosives.....	109,722	Vegetable substances.....	367,605
Chemicals.....	124,530	Vehicles.....	128,136
Dry goods.....	192,964	All other articles.....	94,827
Machinery, etc.....	418,763		
Mineral substances.....	718,621	Total.....	2,507,486
Paper, and manufactures of.....	30,911		

DECLARED EXPORTS TO THE UNITED STATES.

The following detailed statement shows the declared value of the exports from Nogales and the Cananea agency to the United States in 1908:

Articles.	Value.	Articles.	Value.
NOGALES.		CANANEA—continued.	
Bullion:		Cattle.....	\$146,785
Gold.....	\$812,377	Concentrates:	
Silver.....	100,624	Copper.....	262,126
Cattle.....	37,110	Copper and silver.....	854,067
Concentrates:		Gold and silver.....	51,352
Gold.....	7,505	Silver.....	5,921
Silver.....	31,709	Silver and lead.....	4,162
Gold:		Copper matte.....	102,550
Cyanides.....	10,056	Hides.....	42,571
Placer.....	24,358	Ore:	
Graphite.....	1,404	Copper.....	166,607
Hides.....	2,318	Copper, gold, and lead.....	9,765
Ore:		Copper and silver.....	51,535
Copper.....	13,722	Gold and silver.....	762,432
Gold.....	27,499	Gold, silver, and lead.....	301,199
Lead.....	1,413	Lead, copper, and silver.....	24,748
Silver.....	154,483	Silver.....	51,089
Slag, gold.....	3,659	Silver and lead.....	85,484
Sulphides, silver.....	5,229	Potatoes.....	12,375
All other articles.....	6,666	Sulphides, silver.....	13,898
Total.....	1,240,132	All other articles.....	18,095
CANANEA.		Total.....	5,529,732
Bullion:		Returned American goods for district.....	216,200
Copper.....	1,504,163	Grand total.....	6,986,064
Gold.....	14,038		
Gold, copper, and silver.....	1,014,474		
Silver.....	30,091		
Other.....	315		

Extensive railroad building along the western coast of Mexico, which will soon complete a trunk line to Mexico City, was an important feature of activity during the year. The completion of this route will increase still further the importance of Nogales as a frontier port, and add greatly to its prominence as the natural gateway from the United States into the rich region of northwestern and western Mexico.

NUEVO LAREDO.

By CONSUL ALONZO B. GARRETT.

Notwithstanding the general depression of 1908, Nuevo Laredo and its immediate vicinity were fairly prosperous, the volume of business exceeding that of 1907. This rise in business activity is the result of the investment of idle capital, and many new enterprises will be inaugurated during 1909, among which are the installation of a complete sewerage system for the city and the construction of a boulevard 1,000 meters (meter=39.37 inches) in length to extend from the custom-house to the race track. This driveway will be 30 meters wide and will be paved with asphalt. A company is also being organized with a capital of \$60,000 Mexican currency to erect an electric light and power plant. The Mexican National Railroad machine shops recently established are now in operation, giving employment to more than 200 skilled laborers, and many new buildings are being erected to accommodate the workmen who are coming from a distance. A concession has been granted and the land acquired for an up-to-date race track, and a steel hippodrome will be built with a seating capacity of 10,000.

Two fiber machines have been installed near Lampazos in this consular district for the extraction of fiber from the pita plant. The product finds a ready market, as the fiber is very strong and suitable for the manufacture of rope and many other fibrous articles. As thousands of acres of this plant grow wild in this vicinity, it is probable that more machinery of this kind will be installed in the near future.

TRADE WITH THE UNITED STATES.

The imports into Nuevo Laredo in 1908 were valued at \$466,283, against \$263,416 in 1907. Of this amount the United States furnished articles worth \$457,250, against \$210,722 in 1907, and all other countries articles valued at \$9,033, against \$52,694 in 1907. The imports, by articles, from the United States in 1908 were as follows:

Articles.	Value.	Articles.	Value.
Breadstuffs:		Potatoes.....	\$5,000
Corn.....	\$75,000	Provisions:	
Wheat.....	258,720	Bacon.....	2,000
Coffee.....	36,000	Lard.....	20,000
Drugs.....	15,000	Stationery.....	3,000
Hardware.....	10,000	Sugar.....	6,000
Ice.....	1,450		
Lumber.....	20,080	Total.....	457,250
Oil, kerosene.....	5,000		

The declared value of exports to the United States in 1908 was \$86,642, a decrease of \$66,743 from the previous year. The articles were:

Articles.	Value.	Articles.	Value.
Bran.....	\$4,840	Ixtle.....	\$435
Calamine.....	46,647	Opals.....	998
Chilli.....	483	Oranges.....	680
Curios.....	613	Wood, cord.....	2,896
Drawn work.....	734	All other articles.....	2,521
Hides and skins:		Total.....	86,642
Cattle.....	8,287		
Deer.....	1,195		
Goat.....	15,523		
Other.....	781		

There was a decrease of \$37,089 and \$12,245 in the exports of calamine and hides and skins, respectively, for 1908.

PROGRESO.

By CONSUL EDWARD H. THOMPSON.

The State of Yucatan is a land almost of a single product, sisal fiber, and of the exports of this product, amounting in 1907 to over \$18,000,000 gold, over 90 per cent was taken by the United States, which also furnished over 60 per cent of the foreign articles imported. It is therefore reasonably clear that anything affecting that product must affect the commercial and financial interests of the State, and directly affect the interests of American merchants and manufacturers.

The year 1908 was a fateful period for the commerce and finances of Yucatan. There was formerly very current in Yucatan the terse aphorism, "El comerciante vive rico y muere pobre, el hacendado vive pobre y muere rico," which means that the merchant lives like a rich man and dies a poor one, the planter lives like a poor man and dies a rich one. Previous to the Spanish-American war this aphorism was, in the prevailing condition of things, particularly applicable. Since then it has lost its force.

During and even before the war the supply of the Philippine fiber, the so-called manila hemp, was cut short, which made imperative the use of the Yucatan fiber, the so-called sisal hemp. The price of the latter rose by leaps and bounds until it reached \$5 Mexican for every 25 pounds of commercial fiber. At these figures the gross profit to the planter was enormous. The high price received brought about good prices for merchandise and correspondingly better wages for labor of all kinds. Merchants and clerks, artisans and laborers, all made money. During this period, when money was to be had seemingly for the asking, the usurious money lender did a most thriving business, and the sudden demands for ready money were as insistent and sharp as during the times when it was really needed and the supply meager. Rates of interest, too, were exorbitantly high.

DECLINE IN PRICE OF SISAL FIBER.

The war ended, and peace in the Philippines having been secured, large quantities of manila fiber came into American ports, causing a

decrease in the demand for the Yucatan article. Sisal fiber from Yucatan and manila fiber from the Philippines continued to be shipped into American markets until the prices of both, in accordance with the inexorable law of supply and demand, commenced to decline. The slow, steady falling of prices continued, and the planters became concerned and finally dismayed. One plan after another to keep up prices was tried and failed, and at last resort was had to combination. Chambers of commerce and agriculture were organized, and able men with full power put in as officials. Good service was done by the Camara Agricola, and all means that could be used were invoked, but competition from Manila was too strong and still the price of fiber went down.

Although the price of fiber is not yet what the planters think it should be, retrenchment and economy are being practiced, and if the promised results are realized in the practical utilization of the refuse, the prosperity of the State will be restored at no distant day.

A great portion of the individual indebtedness that has hung over the people has almost passed away, and more are free from debt to-day than there have been for the last decade. The State is free from debt, and has over \$500,000 Mexican on deposit in the local banks. The city of Merida has been wonderfully improved, and a costly system of paving and drainage practically completed.

GOOD CORN CROP—EXPORTS TO THE UNITED STATES.

The fears of a general disaster from the locusts have passed away for this season at least, and the abundant corn crop is safely gathered and stored. Other than the sisal, no one crop is so absolutely necessary to the prosperity of Yucatan as that of maize or Indian corn. It is the basic food of the rich and poor alike, and the abundant crop of this season will not only bring a long-needed plenty to the homes of the humble laborers, but will save the State a very large sum hitherto expended on the imported Indian corn brought in to supply the deficiencies of the home crop.

The shipments of henequen fiber from Yucatan to all countries in 1908 amounted to 652,498 bales, against 611,845 bales in 1907 and 599,568 bales in 1906. On January 1, 1909, there were said to be 34,500 bales of henequen fiber in the storage warehouses of Progreso.

The declared value of exports from Progreso to the United States was \$11,425,587 in 1908, \$17,806,546 in 1907, and \$20,358,508 in 1906. The articles in 1908 were as follows:

Articles.	Value.	Articles.	Value.
Bristles.....	\$2,771	Sponges.....	\$358
Chicle.....	135,599	Wood:	
Guano.....	655	Cedar.....	1,140
Hides and skins.....	151,091	Logwood.....	852
Machinery.....	1,250	All other articles.....	1,425
Metal.....	759		
Plumes, heron.....	1,021	Total.....	11,425,587
Sisal grass.....	11,128,366		

SALINA CRUZ.

By CONSUL C. LUDLOW LIVINGSTON.

Salina Cruz owes its commercial importance to its position as the Pacific terminal of the Tehuantepec National Railway which crosses the Isthmus of Tehuantepec from Puerto on the Gulf of Mexico, a distance of 190 miles. The Government of Mexico has spent in round numbers \$40,000,000 gold in building the two ports and the terminals and the rebuilding of the railway.

The principal traffic of this trans-Isthmian railway is the transshipping of Hawaiian sugar to Philadelphia. The vessels of the American-Hawaiian Steamship Company are model freighters and a credit to the American merchant marine. The volume of miscellaneous freight carried from New York to San Francisco by this route is increasing and will in a short time equal the sugar tonnage carried eastward.

During the past year the Central American coffee crop was largely diverted to the Tehuantepec route, the Kosmos Line bringing the bulk of it to Salina Cruz for transshipment to Hamburg.

BUILDING OF PORT WORKS.

In spite of the immense sums spent in the building of the port works at Salina Cruz there is still much to be done before the port is in shape to handle with economy and dispatch the freight arriving during the sugar and coffee season. There appears, however, little prospect that the Mexican Government will spend any more money, even to carry out the plans already made. Any further extensions of docking facilities will therefore have to be undertaken by the railroad company. There is room now for the docking of 6 ships and the plans contemplate the dredging of the inner harbor to twice its present size to provide berths for 12 more vessels.

The terminals are well equipped with traveling electric cranes for handling cargo, but there is necessarily much breakage and unavoidable delay in the loading and unloading which will be a handicap to this route as a competitor with the canal route.

With the development of the Pan-American Railway the coffee now being carried by the Kosmos Line to Salina Cruz should divert to the Pan-American and over the Tehuantepec Railway to Puerto, thus eliminating one handling.

During 1908, 161 vessels touched at Salina Cruz, with a total gross registered tonnage of 540,838 tons, divided according to country as follows: Mexican, 53 vessels of 48,086 tons; American, 65 of 344,514 tons; German, 28 of 104,871 tons; and English, 15 of 43,367 tons; total, 540,838 tons.

At Puerto (Coatzacoalcas) for the same period the number of vessels was 293, with a total of 638,032 tons, against 246 vessels of 379,034 tons for 1907.

The Tehuantepec National Railway during 1908 carried 480,000 tons of merchandise. The dry dock, recently completed, has been put into commission, though the approach thereto has not yet been dredged to a sufficient depth to allow entrance of deep-draft ships. It is 660 feet in length and 70 feet wide, and the draft at low water is 30 feet.

AMERICANS MAKING PURCHASES OF LAND—FOREIGN TRADE.

During 1908 promoters were busy in selling several tracts of land on the Isthmus of Tehuantepec to American farmers. One company has run monthly excursions to the isthmus and has disposed of about 70,000 acres of jungle in small plats. It is doubtful if the majority of these colonists have foreseen the difficulties they will encounter, including the expense of clearing the land, and more especially of keeping it clear, the delay in returns, the high prices they will have to pay for marketing their products, and the climate. If, however, the farmer has sufficient capital to carry him along for five years, and if he uses judgment in the selection of his land and in planting it, he should do well. Native or Chinese labor can be secured. Sugar cane, coffee, citrus fruits, cacao, and bananas should prove profitable crops. Some parts of the isthmus are well adapted to rice growing. Adjacent to the line of the Pan-American Railway, through the State of Chiapas, are large tracts of land adapted to the cultivation of rubber, coffee, and cotton.

The imports into Salina Cruz for 1908 were valued at \$134,478 and the exports therefrom \$98,036. The countries participating in this trade and the share of each were as follows:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States	\$42,130	\$39,498	Salvador	\$12,870	\$15,707
Canada	925	2,764	United Kingdom	57,909	.....
China	9,739	295	All other countries	4,403	11,299
Guatemala	1,864	15,826	Total	134,478	98,036
Japan	4,618	.....		
Peru	20	12,647			

The imports consisted chiefly of groceries, provisions, oil, liquors, furniture, and machinery, while the principal exports were coffee, hard woods, henequen, and palm hats. The fact that the United Kingdom leads in imports is due to the building of the port works by an English contractor, who purchased his machinery and supplies in that country.

SALTILLO.

By CONSUL THOMAS W. VOETTER.

The Saltillo consular district, lying principally in the southern part of the State of Coahuila, is in a section of Mexico noted for its agricultural development. The climate in the valleys among the mountains in the eastern part of this district is adapted to the growing of wheat as well as other cereals, and other parts of Mexico have been supplied with wheat from this section. In the western part of the district lie great plains which were probably in times past bottoms of lakes. The soil there is very fertile and cotton growing has been established on a great scale, with attendant industries, such as cotton mills and soap factories. These industries, however, are located just outside of this consular district and are along the line of the Mexican Central Railway.

The water from the Nazas River coming from the west has been used to irrigate these cotton lands. With an average rainfall at the

headwaters of this river and in the cotton-growing district a crop of over 120,000 bales is frequent. The year 1908, as well as the preceding year, was very dry and the cotton did not receive sufficient moisture, with the result that not over 10,000 bales were picked. The drought extended over the entire district, and the wheat crop also was almost a total failure. There was a lack of rain in the late autumn and winter months of 1908, with the result that no wheat was sown for the 1909 crop around Saltillo.

The low prices of copper, lead, silver, and zinc prevalent during the year did not encourage great activity in mining. The copper smelter at Concepcion del Oro and the silver-lead smelter at Saltillo were in operation the entire year, and improvements were made at both plants, but only the better or richer ores could be treated with profit at the prices received for the metals.

RUBBER SHIPMENTS—IXTLE FIBER—IMPORTS.

One industry, the output of which was not curtailed during the year, was the extraction of crude rubber from the guayule plant. In this field the facilities were enlarged, and improved processes were put into operation, so that the value of the product increased greatly during the year. The exports of rubber to the United States produced by the establishments at Saltillo and Parras increased from \$742,000 in 1907 to \$1,266,000 in 1908, or more than 70 per cent. The rubber shipments have grown so that they now amount to more than 50 per cent of the exports from this district to the United States. Much of the rubber is also exported to Germany.

On account of the depression in the United States during 1908 the exports of ixtle showed a decrease from \$522,000 in 1907 to \$344,000 in 1908. The prices for this fiber had decreased so that it became unprofitable to prepare and ship it. Before the development of the mines and of the rubber industry, ixtle and goatskins were the articles most exported.

These unfavorable conditions combined to lessen the incomes, and consequently the expenditures, of the majority of the population of the district, and the consumption of foreign and native articles was less. The amount of articles imported into this district can not be ascertained, it being an interior district, but the testimony of the merchants is that sales of merchandise were less than in previous years.

A large reservoir to impound the waters of the Nazas River is projected, and engineers were at work during the year searching for the proper site upon which to erect the dam. The work will probably be erected near San Fernandez, in the State of Durango, providing the engineers find the proper sort of foundation. The completion of this reservoir will be of great benefit to the cotton growers in the western part of this district, as they will be assured of ample water for irrigation when it is necessary.

RAILWAY EXTENSIONS.

The only extension of railroads during the year was the building of a few miles of 2-foot gauge track from Avalos station of the Coahuila and Zacatecas Railway toward some zinc mines to the south-

west. A number of cableways were erected at the more important mines to facilitate the shipment of ores. The railway mentioned and some of the cableways will be ready for operation in 1909.

During the year a railroad was projected to extend from Monclova in this district to Chihuahua, Chihuahua, a distance of about 370 miles. The promoters of the road are interested in the coal mining industry of Coahuila, and one of the main objects of the road is to afford a cheap means of transportation for this coal from the mines to supply the smelting industries in Chihuahua. The road will pass by rich iron and salt deposits and through extensive sections of country which may be adapted to agriculture by some method of dry farming, but which are now used for cattle ranges only. Many opportunities for trade development will be opened when this road is built, for it will traverse a territory now distant from railways. The one drawback to settlement is the fact that the land is held in very large estates and it will be difficult to obtain small ranches for development by individuals.

AMERICAN GOODS POPULAR—DECLARED EXPORTS.

On account of the nearness of this district to the United States there is much travel back and forth. Many people from Texas spend the summer months in the highlands of Coahuila, and Mexicans frequently visit the cities of Texas. Many children from this district also attend schools in the United States. On this account articles of American manufacture are well and favorably known in the cities in this part of Mexico. Many lines of American goods are kept in stock in the various business houses, and alongside the American goods are frequently found imitations made in Germany, Italy, France, and Great Britain, which the merchant can buy at lower prices or, what is almost the equivalent, on better terms. It seems that American merchandise should be sold at such prices and on such terms as to keep out other competing lines.

The declared value of the exports from Saltillo to the United States during 1908, exclusive of returned American goods, was \$2,184,717, against \$1,751,525 in 1907. The articles for 1908 and their values were:

Articles.	Value.	Articles.	Value.
Calamine.....	\$154,804	Turquoise matrix.....	\$998
Guayule, shrub.....	13,884	All other articles.....	261
Hair.....	7,003		
Hides, cattle.....	605	Total.....	2,184,717
Household effects.....	3,814	Returned American goods.....	1,716
Textile.....	344,941		
Rubber, guayule.....	1,266,873	Grand total.....	2,186,433
Skins:			
Goat.....	390,745		
Other.....	789		

SAN LUIS POTOSI.

By CONSUL GEO. A. BUCKLIN, Jr.

The consular district of San Luis Potosi comprises the State of San Luis Potosi, which has an area of 25,316 square miles, and a population of about 590,000. The only city of importance in the district is

San Luis Potosi, which has a population of 70,000. Other places of interest as centers of mining are Matehuala with 13,000 population, Catorce with 10,000, Cedral with 6,000, all in the northern, mountainous portion of the district, while Rio Verde, an agricultural center, with a population of 7,000, is located in the southeastern corner of the district.

This district is located on what are known as the highlands of Mexico, in almost the center of the Republic. A short distance north of the city of San Luis Potosi begins a region almost a desert, which extends practically to the north line of the Republic. To the south the valley is more fertile and numerous haciendas devote considerable attention to agriculture.

MINING OPERATIONS—CATTLE RAISING.

Mining is of first importance. Some of the oldest silver mines of the Republic are found near this city and around the towns of Charcas, Catorce, and Matehuala, while numerous new mines have been opened up in these regions and around Salinas, in the western part of the State. Gold is found in more or less important quantities with the silver. Lead, zinc, copper, and antimony are also extensively mined. A large amount of American and English as well as some German capital is invested in these mining operations.

Farming and stock raising, the former in sufficiently watered regions, the latter also in semidesert country, are given considerable attention. Corn, frijoles (brown beans), and, where water is abundant, sugar cane make up the most important crops. Alfalfa is increasing in importance as a feed. The planting of the maguey plant, from which pulque is drawn, which is used as an intoxicating drink, is extensive, and the per capita consumption of the drink is large. Stock raising is concerned chiefly with the raising of goats, which graze in the broken and mountainous regions, and the export of skins is large. The cattle raised are mostly inferior, but attention is being turned to better breeds, as is shown by frequent importations of fine stock from the United States. Burros are more numerous than horses or mules, as these pack animals still furnish the chief means of transportation between the cities and railroads on the one hand, and outlying towns, haciendas, and mines on the other. The profitable use of horses, mules, and vehicles would necessitate the building of expensive roads, which with the present population would not be economical. The raising of sheep and hogs is given comparatively little attention.

INDUSTRIES—AMERICAN MACHINERY AND TOOLS.

The manufacturing industries of this district are unimportant. The greatest success met with is in textiles, such as plain cotton and woollen goods, blankets, etc., the output of which does not nearly meet the demand. Attempts have been made to manufacture linen, shoes, and nails, and to can fruit, but with indifferent success. The difficulty seems to have been in securing skilled labor at reasonable rates; in finding suitable materials, as in the manufacture of shoes; in the cost of fuel, there being no natural motive power avail-

able; and in finding a sufficiently extensive market for such articles when manufactured in large quantities.

In the population of 590,000 inhabiting this State it is estimated that not more than 10 per cent demand more than the actual necessities of life, and this condition holds true in the main with the entire Republic. But the brightest outlook is held forth in the fact that the poorer classes, who have lived heretofore in the simplest manner, are acquiring a taste for added comforts and conveniences, and are rapidly creating a demand for all of the various manufactures of the United States.

Statistics showing the amount of imports into this district are not available. This city being a large distributing center, the wholesale trade is much more important than the retail with most of the importing firms. Merchants import from the sources where the goods can be bought cheapest, and prejudice or old trade connections do not long stand in the way when better terms are offered. Imports of farm machinery, thrashers, engines, and fencing material of barbed or woven wire come from the United States. Germany furnishes most of the hardware and shelf goods, though edged tools and specialties of the best quality are supplied by the United States. Typewriters, adding machines, and sewing machines of American make are preferred, although Germany is endeavoring to sell these articles at much lower prices. In one store I saw a whole stock of screws of French make that was being replaced by American goods on account of the latter's superiority.

CHARACTER AND SOURCES OF IMPORTS.

Dry-goods stores receive their supplies almost entirely from England, France, and Germany, and are usually in the hands of Frenchmen or Spaniards. Canned goods, meats, biscuits, etc., are supplied by the United States, England, and Germany, with a balance in favor of the United States on account of its proximity. The sugar and most of the flour used here are produced at home, though in some seasons wheat is imported from the United States and Canada and ground at the local mills. A great deal of grain is also ground here which goes to supply other parts of the Republic.

Large quantities of shoes of the cheaper kind are made by local cobblers, but the better grades are imported from the United States and are held in high esteem, as are also miners' boots, of which a considerable quantity is sold. However, by far the greater part of the population wears guaraches, rough sandals made of thick pieces of leather as soles, secured to the feet with thongs.

Imported men's hats come principally from England and the United States, though the native Mexican hat is largely in the majority. The shawl as a headdress for women is gradually giving place to the fashionable hat, and large numbers of trimmed as well as untrimmed hats are being brought in from the United States. Collars, cuffs, and all linen goods come largely from England; hosiery and underwear from Germany; ironstone and china ware from France and England; and toys from Germany. In general, it may be said that all other countries undersell the United States, but the latter holds an advantage in quickness of communication and delivery.

It would appear that in almost all lines the American manufacturer could compete also in price, but it is the opinion among merchants here that he prefers rather to content himself with a large home market, where high prices can be secured, than to attempt competition with other nations in a foreign market.

DECLARED EXPORTS.

The following table of declared exports to the United States during 1907 and 1908 may be considered fairly representative of the exports of this region to all countries:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bones.....	\$867	\$1,268	Oranges.....	\$15,239	\$14,342
Bullion:			Ore, antimony, and cal-		
Base.....	2,141,640	2,109,109	mine.....	21,284	2,171
Copper.....	303,186	238,308	Rubber, crude.....	93,406	193,968
Chili pepper.....	75,404	77,660	Skins, goat.....	185,652	233,345
Fiber, Ixtle.....	254,589	109,586	All other articles.....	14,373	924
Garlic.....	718	1,070			
Hair, horse and cattle.....	9,529	2,800	Total.....	3,126,794	3,007,916
Hides.....	3,470	15,329	Returned American goods..	5,062	4,273
Household goods.....	5,304	165			
Nuts, pecan.....	2,133	7,861	Grand total.....	3,131,856	3,012,189

More than two-thirds of the total exports is made up of mineral products, and base bullion alone amounts to more than \$2,000,000. This export is in the form of ingots of silver, gold, and lead smelted from ore taken from the mines of this and the surrounding States. There is also a large export of copper bullion. Next in order of importance are goatskins, the exports of which to the United States aggregate \$200,000 to \$300,000 annually. The exports of crude rubber extracted from the guayule plant amount to about \$200,000 yearly. Ixtle fiber is sent to the United States to the value of \$100,000 to \$150,000 each year. Chili pepper is also an important item of export, amounting annually to from \$50,000 to \$100,000. The exports are chiefly raw materials and not finished products, with the exception of a small amount of Mexican pottery, metates, etc. England and Germany also get a large volume of exports from this State. San Luis Potosi has a great number of commission houses which engage in export and import trade with all parts of the world.

TAMPICO.

By CONSUL P. MERRILL GRIFFITH.

Tampico is situated on the right bank of the Panuco, 6 miles from the Gulf of Mexico, in the State of Tamaulipas. Its natural maritime and inland advantages, together with the expenditure of several million dollars in dredging, building jetties, and in the construction of one of the most practical and convenient custom-houses and wharves in the world, have converted it into one of the best known and most important shipping and distributing ports in Latin America.

The custom-house, completed a few years ago at a cost of over \$2,000,000, is 1,000 feet in length constructed entirely of stone, red pressed brick, and steel, and is absolutely fireproof. It is equipped with all modern appliances for handling freight and cargo.

The port of Tampico is famous on account of its excellent natural harbor. The newly constructed wharf which adjoins the custom-house has become famous through its excellent construction and equipment. It is 500 meters in length, 16 meters wide, and 2½ meters above the water at normal tide. It is constructed of steel and concrete, the only wood used being the decking and fender timbers. The rails for railroad cars are of 75-pound steel, the track on top of the wharf being laid 8 feet from the edge, which allows the handling of heavy machinery direct from the ships to the cars. The depth of the water alongside the wharf throughout its entire length is 23 feet. The cost of construction was \$3,400,000 Mexican money. The Panuco River in front of the wharf and custom-house is 350 to 400 yards wide and 50 feet deep in the channel. The Government has recently arranged to do considerable dredging at the wharf and throughout the course of the river where necessary.

The jetties, which extend far out into the Gulf, are composed of irregular blocks of stone, and were built at a cost of over \$1,500,000. They are now being extended farther into the Gulf, thereby lengthening and deepening the channel and increasing the facilities for the easy and safe entrance of the largest ocean vessels. In addition, an extra and permanent light has recently been placed on the outer point of each jetty.

IMPROVEMENTS IN PROGRESS.

Modern water and sewerage systems have been installed in the city. The water used is taken from the river Tamesci, 10 miles distant. An improvement of great magnitude which has been in progress for four years, and which will be finished by the end of the year, is the filling in of the marshes around the city which have been breeding places for disease and a constant menace to public health. All the material used in the construction of the waterworks and sewerage systems, as well as the machinery for filling in the marshes, is of American make.

Another enterprise which is being carried on by the Mexican Government and which is one of the most important internal public improvements now in progress in Mexico is the construction of an intercoastal canal between Tampico and Tuxpan. The entire length is 120 miles, 66 of which, as far as Lake Tamiagua, have been completed at a cost of \$2,500,000 and opened for traffic. About five years will be required to complete the work on the second division. The canal has a width of 75 feet and a depth of 10½ feet. The work is in charge of an American, who has had extensive experience in large drainage works in the United States, and the dredges and other material are American made.

The building of this canal will open up a rich agricultural section tributary to Tampico, a section which has remained practically undeveloped through its remoteness from railroad and other communication with the markets of the country.

Other enterprises and improvements completed or in progress here which may be mentioned are the enlargement of the oil refinery, one of the largest in the world; the construction by the Mexican Government of a new post-office building and also a new federal telegraph building; the building of a new cracker factory; and the installation of a new electric-light plant.

The concession has already been granted by the state government and arrangements completed for the erection of a large modern brewery, packing house, and cold-storage plant, for which a company has been organized with a capital of \$250,000 gold.

The contract has also been signed for the paving of 100 blocks of the city streets with asphalt, work on which will begin immediately. This contract calls for \$800,000.

AMERICANS ACQUIRING FARMING LAND.

The section of Mexico tributary to this port, of which Tampico is the actual base of supplies as well as shipping center, embraces portions of the States of Tamaulipas, Nuevo Leon, San Luis Potosi, and Veracruz. The greater part of the soil, rich in humus that has been washed down from the mountains through countless years, is admirably adapted to the raising of corn, sugar cane, fruits, vegetables, etc., and is now rapidly being acquired by Americans. Within a radius of 50 miles of Tampico, there are now 20 American colonies, many of them being rapidly settled and prospering. There are about 1,000,000 acres of land owned by American colonization companies, and about 4,000,000 acres owned in fee simple by individual Americans. The purchase price of the lands owned by Americans will amount to about \$22,000,000 American money, and the estimated value of these lands with contemplated improvements amounts to \$110,000,000 gold.

The annual rainfall within the territory lying near the Gulf coast and extending south from Tampico toward Tuxpam and Veracruz averages about 40 inches, but as one travels westward from the coast within a short distance a gradual diminution of the rainfall is apparent, while some sections of this consular district may be classified as semi-arid. Several pumping plants, however, have been installed along the rivers, and in several instances the land is irrigated by gravitation, by which method of cultivation success is more certain.

LAND AGENTS MISREPRESENT CONDITIONS.

There have been many instances of failure in Mexico by Americans, due either to bad management or the previous misrepresentations of land agents. In some cases corporations have selected and sent to Mexico managers for their farms and plantations who were not only unacquainted with the language and customs of the people but without any practical knowledge of the work whatever. Also many farmers throughout the Middle West of the United States have been deceived by grossly exaggerated descriptions, vividly picturing Mexico to them as a veritable Garden of Eden, where one can live on nature's bounty practically without work. Many deluded husbandmen, through these glowing misrepresentations, have actually sold their small farms and migrated to Mexico with their families, arriving here with scarcely sufficient money to make the first payments on their property, seemingly ignorant of the fact that it required money to clear the land, to pay for labor, to buy implements, and to support their families while necessary improvements were being made. Some of these settlers had actually made the first payment on property they had never seen before they left the United States. In many instances they soon found themselves stranded in a foreign land. If

one has only enough money to pay the passage of himself and family to Mexico and the first payment on his land, he had better remain in the United States.

It should be understood that conditions in Mexico are identical with those in the United States or elsewhere, as far as the improvement of virgin lands is concerned. The original cost of land in this vicinity is \$7.50 to \$50 an acre, depending wholly upon the location and quality, to which must be added \$6 to \$10 an acre gold, as the cost of clearing. Then allowance must be made for the purchase of implements, mules, labor, etc. The banks here are not accustomed to lending money on land.

Anyone seriously contemplating the purchase of land in Mexico should first visit this country and personally inspect the property offered for sale, and if it is found to be suitable and conditions to be satisfactory arrangements can then be made to bring the family.

IMPORTS BY COUNTRIES.

From 60 to 65 per cent of the imports into Tampico are for local use, while the balance passes in transit to interior points in Mexico. The imports into Tampico, by countries, in 1907 and 1908, respectively, were as follows:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$22,432,204	\$19,211,484	Spain.....	\$1,789,537	\$1,756,886
Austria-Hungary.....	393,786	429,250	Switzerland.....	38,060	18,209
Belgium.....	1,114,007	1,067,031	United Kingdom.....	7,012,070	7,298,406
Cuba.....	1,116	1,156	Other countries.....	2,436,239	2,424,054
France.....	3,667,974	2,976,295			
Germany.....	6,750,317	6,515,466	Total.....	46,062,617	42,046,840
Italy.....	437,317	358,603			

The greater part of the imports into Tampico come from the United Kingdom, Germany, France, Spain, Belgium, and the United States, those from the latter country constituting about 48 per cent of the total amount in 1907, and about 46 per cent in 1908. The following table gives the imports from the four principal countries, by groups:

Group.	1907.				1908.			
	United States.	Germany.	France.	United Kingdom.	United States.	Germany.	France.	United Kingdom.
Animal products....	\$736,007	\$272,696	\$269,973	\$374,098	\$640,559	\$255,567	\$299,067	\$88,219
Chemical products....	847,226	204,392	555,385	632,887	938,924	196,280	255,229	1,040,187
Liquors.....	698,780	265,882	326,058	232,186	694,760	265,882	326,058	232,186
Machinery.....	2,676,509	191,506	861,322	609,488	2,676,509	191,506	861,322	609,488
Mineral products....	11,508,454	477,659	2,223,122	1,978,467	10,512,573	378,931	2,278,537	1,472,957
Paper products.....	455,714	54,749	163,732	126,906	455,714	54,749	163,732	126,906
Textile fabrics.....	1,972,245	879,975	1,160,581	1,722,939	278,017	1,070,459	1,769,896	2,868,084
Vegetable products....	2,286,065	477,659	876,752	623,612	1,759,234	206,409	258,434	154,892
All other.....	1,281,194	833,456	313,392	711,487	1,281,194	856,512	313,392	703,487
Total.....	22,432,204	3,657,974	6,750,317	7,012,070	19,211,484	2,976,295	6,515,466	7,298,406

In this classification animal products include such articles as meats, lard, and oils; vegetable products such articles as lumber, furniture, rope, and brooms; mineral products such articles as metals, wire, pipe, rails, nails, glass, and china; and textile fabrics consist of cotton, woolen and silk goods, and linen.

There has been a decrease in the value and amount of imports during 1908 from all the countries mentioned with the exception of the United Kingdom, in which case there was an increase of \$286,336.

NAVIGATION.

The number of vessels arriving at the port of Tampico during 1908 was 474, 48 less than during 1907. The number of American vessels reported represents only a small percentage of the amount of the American tonnage carried, as a large percentage of the vessels flying the flags of foreign nations and entering at Tampico call at American ports. The number of vessels that cleared from Tampico for American ports during 1908 was 303, almost 64 per cent of the total.

The following lines of steamships make regular trips to Tampico: The Ward Line, the Hamburg-American Line, the Royal Mail Steam Packet Company, the Compañía Transatlántica de Barcelona, the Compagnie Transatlantique Française, the Wolvin Line, the Ocean Line, the Leyland Line, the Harrison Line, the Cuban Line, the Elder Dempster Line, the Compañía Mexicana Navegacion, S. A., the Compañía Alijadora de Veracruz, the Munson Line, the West India Steamship Company, and the Earn Line of Philadelphia.

EXPORTS TO FOREIGN COUNTRIES.

The value of the exports to foreign countries from Tampico during 1908 amounted to \$78,546,695, a decrease of \$9,570,160 from 1907. The following table shows the value of the exports to each country:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$65,928,515	\$55,745,697	Spain.....	\$765,508	\$713,778
Belgium.....	4,093,990	5,141,940	United Kingdom.....	2,119,617	6,949,092
Cuba.....	171,620	88,251	All other countries.....	1,935,995	176,484
Denmark.....	1,012	150			
France.....	310,386	100,137	Total.....	88,116,855	78,546,695
Germany.....	12,790,212	9,631,166			

The greater part of the exports from Tampico are sent to the United States, Germany, Belgium, and the United Kingdom, the United States receiving almost 75 per cent of the entire amount during 1907 and 70 per cent during 1908. The value of the exports to the United States decreased \$10,182,818 during 1908, those to Germany \$3,159,046, while those to Belgium and the United Kingdom increased \$1,047,950 and \$4,829,475, respectively.

The following table gives the value of the exports to the four principal countries, by groups:

Group.	1907.				1908.			
	United States.	Belgium.	Germany.	United Kingdom.	United States.	Belgium.	Germany.	United Kingdom.
Animal products.....	\$2,304,196	\$12,950	\$87,138	\$13,579	\$1,869,449	\$1,500	\$98,268	\$2,000
Manufactured products.....	12,870	190	312,211	282	33,246	16,032	254,512	552,619
Mineral products.....	56,287,661	4,031,966	9,812,965	944,188	47,951,031	4,759,714	7,047,016	6,120,300
Vegetable products.....	7,286,424	48,602	2,577,898	397,266	5,836,565	364,014	2,229,653	270,838
All other articles.....	37,354	282	.....	764,362	55,406	.....	1,717	3,335
Total.....	65,928,515	4,093,990	12,790,212	2,119,617	55,745,697	5,141,940	9,631,166	6,949,092

The declared value of the exports, including returned American goods, from the Tampico consular district to the United States during 1908 was \$359,191. The value of the articles was as follows:

Articles.	Value.	Articles.	Value.
Beeswax.....	\$6,026	Plants, live.....	\$650
Canned goods.....	2,746	Rubber.....	20,981
Chicle.....	19,590	Sarsaparilla.....	18,026
Fustic.....	8,570	Sugar.....	1,996
Guayule.....	27,623	Vanilla.....	1,199
Hair.....	2,726	All other articles.....	14,308
Hides.....	49,686		
Honey.....	16,622	Total.....	339,728
Ittle.....	139,795	Returned American goods.....	19,463
Metal, old.....	1,581		
Pecans.....	6,613	Grand total.....	359,191

EXTENSION OF TRADE.

While the percentage of Mexico's import trade held by the United States is high, it could and should be increased. Established trade relations between Mexico and European countries, together with domestic conditions, are such that the bulk of this Mexican business can not be secured immediately, but by intelligently studying existing trade conditions it is quite certain that the export trade to Mexico can be materially increased. It must be remembered in connection with this trade extension that America's competitors are the most active and clever in the world, but on account of location and superior transportation facilities the United States has a decided advantage, and it only remains for American manufacturers to push their business in Mexico more energetically and intelligently. There is no valid reason why American trade through this port should decrease over \$10,000,000 in one year, even if there is a general business depression throughout the country, for the natural growth of the trade should have offset this influence.

European competitors are wise enough to know that Mexico's trade will not come to them without work, and in consequence they are sending competent representatives here who are acquainted with the customs of the people and who are thoroughly conversant with the Spanish language. If this should be inconvenient to American exporters, then they should endeavor to reach the trade by the use of catalogues printed in Spanish, the prices stated in Mexican money, and the weights, measures, etc., described by the use of the metric system.

American consuls all over the world have repeatedly called attention to the inferiority of the packing of American wares in comparison with those exported from European countries, and it seems time that American manufacturers took cognizance of this fact. Almost everything coming from the United States through this port seems to be packed carelessly, from machinery to fine delicate fabrics. This could and should be remedied, even if it causes a slight increase in the cost.

TASTES AND TRADITIONS OF PEOPLE.

Neither the American manufacturer nor the jobber seems to appreciate sufficiently, in marketing his goods in this country, the absolute

necessity of strictly adhering to the customs, tastes, and traditions of the Mexican people. This general statement will apply in the case of many commodities sold in Mexico. No matter what may be the prevailing styles in the United States, the merchant here understands more thoroughly the demand and the customs and tastes of these people and is certainly justified in requiring and insisting that the goods contracted for and forwarded to him agree precisely with the styles and quality as ordered. As an illustration, one of the leading merchants here told me that he recently ordered 200 dozen neckties from a manufacturer in the United States and in order to avoid any possible misunderstanding gave the traveling representative several samples, at the same time especially requesting that the goods ordered be identical in style with the sample. Imagine his surprise and displeasure when, after paying the customs duties and opening the boxes, he discovered that the neckties did not agree with the samples sent in shape, size, or color. The quality of the silk used in their manufacture, however, was satisfactory. Many similar incidents could be cited. This neglect on the part of American houses to comply with actual trade requirements and evident indisposition to satisfy the Mexican taste and tradition react most unfavorably against them, where a little care and discretion would oftentimes materially assist them to benefit by some excellent opportunities to extend their trade.

CREDITS—TRANSPORTATION FACILITIES—BUSINESS OUTLOOK.

European houses are accustomed to sell goods to reliable merchants in Mexico on a credit of from three to six and sometimes nine months. American houses almost invariably sell only for cash. American houses would have a decided advantage by offering the same concessions. Dun and Bradstreet now have representatives throughout the Republic and a house's financial standing can be ascertained with little difficulty.

The facilities for transporting freight to and from the interior of Mexico are adequate, and with extensions and local improvements contemplated are factors destined to materially augment the commercial advantages and prestige of Tampico, thereby securing for her as great a distinction as a railroad center as she enjoys to-day as a seaport.

Mexico has made such rapid strides in commercial and industrial development as to excite the wonder and admiration of the world, and is to-day enjoying an era of prosperity never before experienced in its history. It is true that the country has felt, as other nations, the recent financial depression, but the effect has been but temporary. Business conditions throughout the entire Republic are improving and the outlook is bright. Mexico presents many opportunities to-day worthy of the most conservative investigation of prospective investors.

VERACRUZ.

By CONSUL WILLIAM W. CANADA.

The port of Veracruz, though the principal one of Mexico, is but an entrepôt for the distribution of merchandise to all parts of the Republic. Probably less than 15 per cent of the imports are consumed in this consular district.

The total value of all imports into Veracruz in 1908 was \$29,944,116 United States currency, against \$32,546,824 in the previous year, a decrease of \$2,602,708. In 1907 the imports from the United States were valued at \$8,310,815, but fell to \$6,533,027 in 1908, a loss of \$1,777,788, or 68 per cent of the total decrease, apportioned principally among the following products: Mineral products, \$958,520; vegetable products, \$255,565; machinery, \$265,728; animal products, \$80,719; and paper, \$79,490. The only increase in imports from the United States was in chemical products, which showed a gain of \$34,140 over 1907.

IMPORTS BY ARTICLES AND COUNTRIES.

The imports into Veracruz, by articles and countries of origin, for 1907 and 1908, respectively, are shown in the following table:

Articles.	United States.		Austria-Hungary.		Belgium.	
	1907.	1908.	1907.	1908.	1907.	1908.
Animal products.....	\$510,573	\$429,854	\$16,992	\$9,914	\$110,348	\$106,751
Arms, etc.....	56,766	33,356	583	133	24,864	13,352
Chemical products.....	248,976	283,116	7,260	1,597	42,473	22,158
Cloth, textiles, etc.....	169,262	116,130	123,847	108,047	115,298	82,762
Liquors, etc.....	53,602	27,355	5,194	2,504	7,698	12,053
Machinery.....	1,532,800	1,266,767	15,216	9,138	43,387	8,563
Mineral products.....	3,655,863	2,697,343	81,991	54,043	289,581	194,836
Paper, and manufactures of.....	211,096	171,605	5,718	7,113	11,758	13,568
Vegetable products.....	1,218,012	962,447	106,879	135,963	25,195	20,896
Vehicles.....	196,328	155,286	.....	8,295	5,230	2,505
All other articles.....	417,538	389,768	11,467	7,543	2,807	2,140
Total.....	8,310,815	6,533,027	375,147	344,290	678,615	479,574

Articles.	France.		Germany.		Italy.	
	1907.	1908.	1907.	1908.	1907.	1908.
Animal products.....	\$463,522	\$343,132	\$423,403	\$258,100	\$49,000	\$24,276
Arms, etc.....	85,790	378,321	36,692	45,996	89	23
Chemical products.....	278,452	262,968	814,224	583,759	4,863	18,146
Cloth, textiles, etc.....	1,385,064	934,415	1,134,529	750,520	74,406	89,632
Liquors, etc.....	1,313,328	1,043,275	22,287	64,376	58,003	47,646
Machinery.....	300,470	211,058	780,404	892,913	14,468	18,516
Mineral products.....	575,560	594,817	2,225,204	1,685,463	97,833	45,999
Paper, and manufactures of.....	364,720	304,247	356,375	324,801	49,289	37,718
Vegetable products.....	337,378	254,503	300,007	253,966	109,013	59,730
Vehicles.....	201,042	155,065	68,531	42,541	.....	46,650
All other articles.....	345,498	258,230	533,723	439,339	159,075	82,498
Total.....	5,650,824	4,739,951	6,695,379	5,341,774	614,079	473,834

Articles.	Spain.		United Kingdom.		Other countries.	
	1907.	1908.	1907.	1908.	1907.	1908.
Animal products.....	\$433,901	\$410,017	\$147,519	\$144,038	\$208,572	\$171,058
Arms, etc.....	69,330	50,484	5,507	6,223	810	1,477
Chemical products.....	50,081	58,913	279,206	290,019	44,442	50,471
Cloth, textiles, etc.....	250,721	271,830	1,535,508	2,246,417	199,014	145,486
Liquors, etc.....	715,812	631,958	60,066	47,877	61,689	38,799
Machinery.....	74,849	24,325	969,990	1,351,595	117,960	184,753
Mineral products.....	42,252	47,605	1,913,957	3,223,797	75,921	117,223
Paper, and manufactures of.....	352,977	319,137	40,118	39,384	441,239	329,885
Vegetable products.....	501,150	490,784	418,158	316,441	741,165	752,206
Vehicles.....	2,077	3,099	131,161	61,443	73,682	4,066
All other articles.....	18,022	17,630	151,195	119,617	108,924	73,600
Total.....	2,511,172	2,315,782	5,642,375	7,846,851	2,068,418	1,899,033

REDUCTION IN IMPORTS OF COAL AND OIL.

Under the classification of mineral products, imports of coal, petroleum, and construction material of iron or steel take first rank. The imports of coal from the United States during 1908 fell off to a great extent. One company reports a decline in business for this year of about 400,000 tons; another that, whereas in 1907 it discharged 65 steamers with 263,207 tons, in 1908 it discharged only 56 steamers with 226,660 tons. Coke also suffered a decline in imports to the extent of 3,663 tons.

The decrease in the imports of petroleum, both crude and refined, doubtless is due to some extent to the fact that native oil is coming to the front in Mexico. The crude product is refined locally and has entered into active competition with American oils. An extensive plant at Minatitlan, State of Veracruz, is turning out large quantities of illuminating and fuel oils from the native crude product. The several railways in this consular district are rapidly changing their locomotives to oil burners. Fuel oil is in successful use now on a portion of the Mexican Railway and on the National Railway of Tehuantepec. The electric lighting and power plant at Veracruz is operated by oil engines. Two immense storage tanks have been erected here, with a capacity of 47,000 barrels of oil each. This fuel oil is brought from Coatzacoalcos in tank barges, and is piped from the works at Minatitlan to that point.

CONSTRUCTION WORK—DECLINE IN MACHINERY PURCHASES.

During 1908 there was very little construction work going on aside from that undertaken by the Mexican Railway and the oil interests. These concerns are English companies and draw their supplies, whenever possible, from the United Kingdom. The terminal station for Veracruz, which will cost about \$4,000,000 United States currency, is progressing slowly. The municipal authorities have decided to erect a new market and a new jail, and to reconstruct the city hall, but the work has not yet begun. The Federal Government also will erect a new edifice for a naval academy. If all this projected work had been in progress, much of the structural material would have been procured from the United States.

The imports of vegetable products and machinery from the United States declined heavily. It would be difficult to say just what these vegetable products were, owing to their being classified collectively under this heading; but in the case of machinery the decline simply proves that industrial enterprises suffered to a very great extent during 1908, and that nothing new of any account was undertaken during this period. Several sugar refineries, operating with American machinery and capital in this consular district, were forced to shut down and were declared bankrupt.

SHIPMENTS FROM EUROPEAN COUNTRIES.

The imports from the United Kingdom rose from \$5,642,375 in 1907 to \$7,846,851 in 1908, a gain of \$2,204,476, placing that country in the lead. More than 59 per cent of this increase was in mineral

products, the amount being \$1,309,840. This may be accounted for by the fact that the directors of the Mexican Railway Company are interested in the production of coal briquettes, or artificial fuel, which formerly was the only fuel used on their road. As all the engines of that road are to be converted into oil burners, they hastened to stock up in Mexico, so that now there is about a three-years' supply of briquettes on hand in the several railroad yards. This company is engaged in reconstructing the bridges along its line, and for this purpose much material was imported from England. Also there were large quantities of construction material imported for oil-field development, the supplies for which came from that country.

The imports of cloth and textiles from the United Kingdom into Mexico through this port during 1908 were valued at \$2,246,417, a gain of \$710,909 over 1907. This increase was probably due to the fact that the Mexican cotton mills in this consular district were not working on full time last year. Depression in trade was general and especially so in the cheaper lines of cotton goods. Manufacturers were not disposed to sell on long credits, hence buyers turned to countries that would give them the accommodation asked for. That the United States did not get some of this trade is surprising. It seems as though American manufacturers do not care to enter this field in Mexico.

In 1907 the United Kingdom shipped to this port machinery to the value of \$969,990, while in 1908 the amount rose to \$1,351,595, a gain of \$381,605.

Germany showed a decline in its trade with Mexico through Veracruz. The imports from that country, which amounted in value to \$6,695,379 in 1907, fell to \$5,341,774 in 1908. The decrease in the imports from France was \$910,873, the values being \$4,739,951 in 1908 and \$5,650,824 in the previous year. There was, however, an increase in the imports of firearms and explosives from France, the values for 1907 and 1908 being \$85,790 and \$378,321, respectively.

VALUE OF EXPORTS PASSING THROUGH VERACRUZ.

The value of the exports from Veracruz in 1908, according to custom-house figures, was \$18,282,052, against \$23,878,592 in 1907, a decrease of \$5,596,540. The exports to the leading countries during the past two years were as follows:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$7,606,974	\$8,578,758	Spain.....	\$697,531	\$145,086
Belgium.....	389,851	625,963	United Kingdom.....	7,776,076	2,018,440
Cuba.....	989,015	628,256	All other countries.....	198,042	95,146
France.....	2,773,159	3,574,373			
Germany.....	3,452,944	2,616,031	Total.....	23,878,592	18,282,052

The exports, by articles, during 1908 to the principal countries are shown in the statement at top of page 205.

Articles.	United States.	Belgium.	Cuba.	France.	Germany.	United Kingdom.
Beans.....			\$201,878			
Broom root.....	\$57,737	\$17,319		\$444,112	\$22,184	\$5,396
Chicle gum.....	394,844					19,822
Coffee.....	3,511,017	14,332	6,948	340,897	513,965	404,479
Hats, palm-leaf.....	200,844		150			
Hides.....	569,760	13,167		137,466	9,900	18,873
Jalap root.....	10,409			75	2,744	
Metals:						
Gold—						
Bars.....	217,543			613,718	478,807	259,630
Ore.....	12,657	30,352		161	8,259	25,580
Silver—						
Bars.....	1,452,262			1,774,218	933,235	793,634
Ore.....	34,700	136,426			63,245	24,829
Peas.....	24,545		358,222			2
Rice.....	60,065					
Rubber, crude.....	258,658			8,949	6,551	3,881
Skins.....	922,739			1,046	1,640	2,097
Sugar.....	10,515			12		308,119
Tobacco, and manufactures of.....	41,208	392,214	26,550	104,735	441,418	62,595
Vanilla beans.....	599,363			38,863	105	
Wood.....	34,144			11,058	1,787	2,360
Other articles.....	166,748	22,153	34,508	99,063	132,191	84,034
Total.....	8,578,758	625,963	628,256	3,574,373	2,616,031	2,018,440

The principal increases in exports to the United States during 1908 were as follows: Coffee, \$1,931,627; bar silver, \$1,079,421; hides, \$108,096; skins, \$120,947; and silver ore, \$32,763. The principal decreases were: Vanilla beans, \$763,246; dyewoods, \$184,194; sugar, \$148,020; leaf tobacco, \$58,913; and other articles, \$921,443.

DECLARED EXPORTS TO THE UNITED STATES.

The value of the exports declared at Veracruz to the United States during 1908, exclusive of returned American goods, was \$2,918,944, against \$4,353,117 in 1907, and from the agency at Coatzacoalcos the values were \$101,229 and \$434,266 for the two years, respectively. This makes the total value of the shipments from the district to the United States \$3,020,173 in 1908, and \$4,787,383 in 1907, a decrease of \$1,767,210. The value of the exports, by articles, for 1908 was as follows:

Articles.	Value.	Articles.	Value.
VERACRUZ.		COATZACOALCOS.	
Beans.....	\$1,740	Coffee.....	\$35,966
Broom root.....	41,119	Henequen.....	12,855
Coffee.....	2,359,155	Hides.....	28,787
Feathers.....	1,353	Onyx.....	1,006
Glycerin, crude.....	5,186	Oranges.....	1,802
Gum, chicle.....	66,261	Rubber.....	7,462
Hides.....	74,337	Skins:	
Jalap root.....	11,633	Alligator.....	4,408
Mineral water.....	1,252	Deer.....	5,921
Oranges.....	35,445	Other.....	302
Rice for seed.....	56,958	Wood.....	1,205
Rubber, crude.....	65,552	All other articles.....	1,535
Skins:		Total.....	101,229
Alligator.....	6,725	Returned American goods for district.....	21,443
Deer.....	14,242	Grand total.....	3,041,616
Goat.....	1,554		
Sugar, refined.....	11,572		
Tobacco, leaf.....	65,412		
Tortoises, live.....	1,435		
All other articles.....	99,013		
Total.....	2,918,944		

CENTRAL AMERICA.

BRITISH HONDURAS.

REVIEW OF TRADE CONDITIONS.

By CONSUL WILLIAM L. AVERY, BELIZE.

British Honduras is a colony of 42,000 people, where little happens, and changes are slow. Its trade with the United States in both imports and exports is steadily increasing, but until the colony develops its agricultural resources and possibilities, and attracts more settlers, any great increase in trade will be surprising. The few and simple wants of the inhabitants forbid much agricultural or industrial enterprise.

The year 1908 was a banner one for the mahogany exporters, the shipments of this wood to the United States alone being the largest in the history of the trade, amounting to 8,219,161 feet, valued at \$427,995, against 5,038,386 feet, valued at \$259,220 in 1907, and 4,813,987 feet, valued at \$239,277 in 1906.

The value of the imports into the colony in 1908 was \$2,676,723, but from this amount should be deducted the following items which represent goods from Mexico and Guatemala not entering for consumption in the colony: Chiclé gum, valued at \$176,961; cocoanuts, \$2,862; corn, \$32,169; hides and skins, \$1,864; logwood, \$595; mahogany, \$421,434; rubber, \$3,893; and shells, \$3,117, which makes the value of the imports for the use of this colony during the year \$2,033,828.

The imports for 1908, by countries, are shown in the following statement:

Country.	Value.	Country.	Value.
United States.....	\$1,152,114	Mexico.....	\$599,184
British colonies.....	6,530	Spain.....	11,375
France.....	26,418	United Kingdom.....	680,454
Germany.....	71,977	All other countries.....	9,741
Guatemala.....	34,770		
Honduras.....	75,160	Total.....	2,676,723

TRADE WITH THE UNITED STATES.

Of the total value of imports, excluding goods in transit, in the past year, the United States supplied more than 50 per cent. Compared with 1907 there were increases in imports from the United States in the following articles: Agricultural implements, \$585; boots and shoes, \$6,346; cheese, \$2,475; coal and coke, \$8,165; clothing, \$3,950; fruits and vegetables, \$1,987; government stores, \$12,214; pumps, \$674; railway supplies, \$7,591; trucks, \$4,599; and tanks and vats, \$6,124. There was also an increase in the competition of the United States with Europe in such articles as cotton goods, drugs and chemicals, hardware and cutlery, earthen and glass ware, condensed milk, and other canned goods, etc.

The imports into the colony from the United States during 1908 are shown in detail in the table at top of page 207.

Articles.	Value.	Articles.	Value.
Aerated water.....	\$2,062	Perfumery.....	\$5,771
Agricultural implements.....	799	Pitch and tar.....	591
Animals: Horses and mules.....	2,180	Plants and seeds.....	523
Books and stationery.....	5,330	Powder.....	845
Breadstuffs:		Provisions:	
Corn.....	6,371	Bacon and hams.....	31,254
Flour.....	116,302	Beef and pork.....	75,755
Brush ware.....	1,708	Butter.....	21,164
Cement and lime.....	14,336	Lard.....	20,366
Clothing.....	22,799	Poultry.....	958
Coal and coke.....	13,029	Other.....	122,665
Coffee.....	5,232	Rice.....	2,133
Confectionery.....	4,950	Rope and twine.....	9,587
Copper.....	1,364	Ship chandlery.....	3,180
Cotton goods.....	112,046	Shot and ammunition.....	4,890
Drugs and chemicals.....	29,727	Soap.....	6,403
Earthen and glass ware.....	3,646	Spirits, wines, etc.:	
Firearms.....	4,936	Beer and cider.....	10,980
Fish.....	4,726	Whisky.....	5,210
Fruit and vegetables.....	12,358	Wine.....	1,317
Government stores.....	16,665	Sugar.....	11,004
Hats.....	5,651	Tanks and vats.....	11,291
Hay and oats.....	14,339	Tobacco, and manufactures of:	
Iron and steel, manufactures of:		Cigars.....	14,060
Hardware and cutlery.....	41,585	Cigarettes.....	3,978
Machinery.....	31,452	Leaf.....	16,182
Railway material.....	19,309	Other.....	910
Sewing machines.....	3,323	Tombstones.....	514
Jewelry and plated ware.....	4,007	Toys.....	1,060
Leather, and manufactures of:		Trucks for lumbering.....	4,797
Boots and shoes.....	106,660	Wood, manufactures of:	
Saddlery and harness.....	1,514	Blinds, doors, etc.....	3,538
Other.....	1,610	Furniture.....	7,707
Matches.....	4,419	Lumber—	
Musical instruments.....	4,890	Dressed.....	20,396
Oils:		Rough.....	11,634
Gasoline.....	5,609	Wooden ware, etc.....	2,694
Mineral.....	25,716	All other articles.....	57,413
Petroleum.....	4,663		
Other.....	2,928	Total.....	1,152,114
Paints.....	3,063		

The item of machinery was looked into by this consulate and the entries under that head show that it includes an artesian well-boring outfit, equipment for two sawmills, a traction engine for hauling logs, various railway supplies, etc., all of which came from the United States. The use of all except the well-boring equipment proved successful.

The declared value of the exports to the United States in 1908 was \$909,608. The articles and their values were as follows:

Articles.	Value.	Articles.	Value.
Bananas.....	\$140,782	Sponges.....	\$3,046
Cocoanuts.....	82,268	Wood:	
Chicle gum.....	200,721	Cedar.....	23,640
Hides and skins.....	1,836	Mahogany.....	427,995
Household effects.....	336	Rosewood.....	2,312
Iron, pig (ballast).....	258	All other articles.....	690
Plantains.....	7,434		
Rubber.....	17,923	Total.....	909,608
Sarsaparilla.....	348		

SCARCITY OF LABOR—OPENING OF FIRST RAILROAD.

The Government is making an effort to overcome the scarcity of agricultural labor, which is the greatest drawback to the development, progress, and settlement of this colony. The labor available

consists of Caribs and Indians, but they are not inclined to work, so the Government has made offers to induce East Indian coolies to come to the colony, either directly from India, or from British Columbia, where they have emigrated in large numbers to engage in railway building, which is now completed. This climate would suit the coolies admirably, and with their frugal and thrifty habits they could save some money, at the same time putting hundreds of acres under cultivation.

On October 18, 1908, the British Honduras Railway was opened by the acting governor with suitable ceremonies, some 14 miles having been completed. This is the first railroad to be built in the colony, and will extend 25 miles from Stann Creek westward through the valley of the same name, rendering available for agriculture large areas of crown and private lands. The crown land is offered at \$2.50 per acre, with an agreement to cultivate, and private land can be procured by purchase or lease on about the same terms. Bananas, cocoanuts, and cacao can be grown with profit to the planter. This railroad was built by the Government, and my personal efforts to secure the placing of orders for equipment in the United States were not very successful. The crown agents for the colony in London decided in favor of English manufacturers, but the ties were purchased in the United States. The road is of 3-foot gauge, well built, and equipped with sufficient rolling stock for present purposes. The trains run out to the end of a pier some 300 feet long, which was built of heavy creosoted timber, and extends into deep water far enough to accommodate vessels of 20 feet draft. Interior communications have been extended and improved by means of motor boats of light draft and great power. Of the hundred or more of these on the rivers and coast of this colony but five have engines other than American, but the boats were built in this country.

IMPROVEMENTS—FREIGHT SERVICE TO THE UNITED STATES.

The arrival of a civil engineer to assume the newly-created office of director of public works has brought great satisfaction, and the action taken to carry out his first recommendation, which was for the commencement of dredging operations on the coast, was prompt and effective. About \$25,000 will be voted for a dredge and work will begin on the shallow bars of the Belize River, the Rio Hondo, and the other half dozen rivers of the colony. No other public works are contemplated for 1909, as the revenue will not warrant more expenditure. The revenue is about \$400,000 annually, and with railroad building, road making, and the maintenance of a few but inexpensive lights on the coast, and the running expenses of the Government, there is left no surplus.

The regular freight service between the United States and Belize was increased during 1908 by the dispatch of a monthly steamer of the United Fruit Company from New York to this port, returning by the way of Guatemala, Costa Rica, Colombia, and Jamaica. This consulate cleared during 1908 for the United States 12 steamships loaded with mahogany and cedar wood, and 4 vessels loaded with cocoanuts.

COSTA RICA.

REVIEW OF TRADE CONDITIONS.

By CONSUL JOHN C. CALDWELL, SAN JOSÉ.

The total foreign trade of Costa Rica in 1908, according to Costa Rican figures, amounted to \$13,164,040, of which \$5,425,526 represented imports and \$7,738,514 exports. The imports into and exports from Costa Rica, by countries, during the year were as follows:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$2,515,281	\$4,073,627	Spanish America.....	\$54,083	.....
Germany.....	814,004	217,004	United Kingdom.....	1,232,211	\$3,339,346
France.....	420,301	35,763	Other countries.....	106,641	72,774
Italy.....	118,283	.....	Total.....	5,425,526	7,738,514
Spain.....	144,723	.....		

VALUE OF IMPORTS IN DETAIL.

The value of the imports from the three leading countries—the United States, United Kingdom, and Germany—during 1907 was \$3,723,384, \$1,716,368, and \$797,942, respectively, while the imports from the same countries in 1908 were valued at \$2,515,281, \$1,232,211, and \$814,004, respectively. The value of the principal articles, with increases or decreases as compared with 1907, imported from these three countries during 1908 is shown in the following table:

Articles.	United States.		Germany.		United Kingdom.	
	Value.	Increase (+) or decrease (—).	Value.	Increase (+) or decrease (—).	Value.	Increase (+) or decrease (—).
Breadstuffs:						
Flour.....	\$340,157	— \$131,441				
Meal.....	6,432	— 5,532				
Canned goods.....	34,906	+ 6,721	\$3,794	— \$1,168	\$7,320	— \$4,716
Candies.....	319	— 78	824	+ 824	22,258	+ 3,608
Cement.....	11,908	+ 3,490	14,471	— 10,079	848	— 171
Cloth:						
Cotton.....	257,567	— 48,642	134,627	— 10,354	304,320	— 241,164
Silk and mixed.....	32,569	+ 17,882	27,130	— 2,298	32,594	— 23,889
Wool.....	2,242	— 2,989	46,412	— 5,388	73,127	— 42,985
Coal.....	2,888	— 14,144	128	— 307	176,996	+ 17,466
Drugs and medicines.....	60,959	— 5,636	9,733	— 15,299	15,563	— 4,641
Dynamite.....	1,203	— 16,583				
Electrical material.....	64,802	— 22,909	2,161	— 439	472	+ 472
Furniture.....	39,310	+ 6,182	13,967	— 1,879	7,289	— 340
Iron and steel, manufactures of:						
Hardware.....	34,770	+ 1,495	3,044	— 367	1,743	— 3,541
Machetes.....	19,465	— 7,642	1,933	— 1,587	9,319	— 2,606
Machines and machinery—						
Agricultural.....	2,414	+ 811	262	+ 262	606	— 867
Coffee.....	21,592	+ 2,792	185	— 742	10,642	— 7,288
Milling.....	13,314	— 6,458				
Mining.....	11,947	+ 4,022				
Sugar.....	7,503	— 1,996	77	— 866	4,834	+ 2,826
Other.....	66,023	— 42,844	5,246	+ 149	7,233	— 6,542
Mining materials.....	3,622	— 71,723	1,977	+ 1,977	941	— 259
Pipes, nails, etc.....	66,417	— 8,853	6,131	— 33,571	69,672	+ 35,606
Railway material.....	130,228	— 243,424	15,883	+ 11,830	1,241	— 134,720
Roofing material, etc.....	18,008	— 4,168	369	— 762	82,382	— 26,627
Tramway material.....	29,937	+ 26,107	1,668	— 5,336	.....	— 1,646
Tools.....	24,682	— 2,450	1,975	+ 533	1,739	— 219
Leather and leather goods.....	75,542	— 3,682	24,105	— 718	4,270	— 4,573

Articles.	United States.		Germany.		United Kingdom.	
	Value.	Increase (+) or decrease (-).	Value.	Increase (+) or decrease (-).	Value.	Increase (+) or decrease (-).
Oils:						
Industrial.....	\$11,550	+ \$933	\$676	- \$133	\$5,167	+\$1,778
Kerosene.....	11,880	+ 5,624	.....	.....	.....	.....
Linseed.....	2,428	+ 540	2,889	- 899	3,135	- 461
Lubricating.....	14,600	- 1,020	.....	.....	129	+ 129
Paper:						
Printing.....	6,069	+ 1,158	5,336	+ 2,306	.....	- 95
Wrapping.....	8,801	- 204	19,049	+ 9,124	.....	- 62
Other.....	16,278	+ 2,228	14,996	+ 3,969	5,638	+ 2,669
Paraffin.....	77,992	+ 1,319	330	+ 330	406	+ 406
Provisions:						
Hams.....	12,963	- 2,017	750	+ 363	1,775	+ 598
Meat, salted.....	111,358	+46,078	10	+ 10	150	+ 150
Lard.....	88,980	- 7,359	1,685	+ 1,685	497	+ 497
Tallow.....	28,943	- 136	.....	.....	176	+ 176
Rubber goods.....	13,253	- 4,065	3,947	- 1,322	7,828	- 986
Spirits, wines, and malt liquors:						
Beer.....	14,835	- 771	28,729	-12,155	12,042	+ 6
Whisky.....	14,957	- 2,996	.....	.....	3,174	- 2,479
Wines.....	1,499	- 1,023	10,622	+ 1,108	13,635	+ 6,071
Timber, building.....	75,408	-19,153	655	+ 655	.....	.....
Tobacco:						
Chewing.....	54,793	+ 4,601	.....	.....	71	+ 71
Leaf.....	12,341	+ 5,292	.....	- 259	.....	- 83
Manufactured.....	5,132	+ 162	644	+ 127	24,748	+ 3,619
All other articles.....	550,466	.....	407,584	.....	318,231	.....
Total.....	2,515,281	.....	814,004	.....	1,232,211	.....

The most noticeable change in the imports from the United States was in railway material, which showed a decrease of \$243,424. Flour and cotton cloth decreased \$131,441 and \$48,642, respectively.

EXPORTS IN DETAIL.

The exports to the four principal countries—the United States, France, Germany, and the United Kingdom—in 1908, according to Costa Rican figures, were as follows:

Articles.	United States.	France	Germany.	United Kingdom.
Bananas.....	\$3,172,046	\$325	.....	.....
Cacao.....	5,974	11	\$367	\$59,050
Coffee.....	107,808	29,274	177,259	1,723,198
Hides and skins.....	41,640	.....	14,712	1,225
Rubber.....	38,740	.....	548	1,208
Wood: Cedar, mahogany, etc.....	3,059	4,474	18,487	32,590
All other articles.....	31,004	1,609	5,631	1,622,277
Total.....	3,400,271	35,753	217,004	3,339,346
Bullion:				
Gold.....	592,068	.....	.....	.....
Silver.....	81,288	.....	.....	.....
Grand total.....	4,073,627	35,753	217,004	3,339,346

In exports the heaviest decrease was in coffee, amounting to \$324,232 for the United States, \$716,297 for the United Kingdom, and \$192,250 for Germany. Exports of gold bullion increased and those of silver decreased. The value of wood exported to Germany decreased \$100,000.

IMPROVEMENTS—RAILROADS—MINING—FINANCES.

The new railway station in San Jose was completed during the year. Work continued on the new national library and on the new penitentiary. Several small electric plants were installed in the interior towns.

A contract has been made with an American engineer to complete the Pacific Railway to the Pacific. Some work was done on it during 1908. The Costa Rica Electric Light and Traction Company started work on an extension of its street railway in San Jose to a suburb of the city—Guadalupe. The extension is about $3\frac{1}{2}$ miles long. Material for both these extensions comes from the United States.

The Tres Amigos and Boston mines made very satisfactory shipments. Work on the development and installation of the plant went on at the Montezuma mines, but no ore was milled. Development work was carried on at the Aguacate group of mines, and the company owning these properties began the installation of an electric plant to furnish motive power. This plant is on the Rio Grande, some miles from the mines. Several options on mining properties are still pending.

The general financial conditions during the year were not favorable. The coffee crop was poor. The panic of 1907 naturally had some effect in Costa Rica. The revenues of the Government materially decreased, while expenses remained the same. The Government contracted several temporary loans. Heavy rains in October did great damage on the Pacific slope, inundating villages, carrying away bridges, and destroying crops. The Pacific Railway suffered heavy damage and for some months passengers and freight had to be transferred around washouts and landslides. In December torrential rains on the Atlantic slope caused immense damage to the Costa Rica Railway and to banana farms in the coast region. Several bridges were carried away and through traffic to Limon was interrupted for several months. All these causes combined to create a depressed financial condition, which has been growing worse during the present year. Exchange, which usually varies but two or three points from par, remained a number of points above throughout the year.

THE BANANA INDUSTRY—DECLARED EXPORTS.

In 1900 the exportation of bananas was made free for a period of 10 years. Two years ago, in anticipation of the expiration of this period, the question of an export duty was discussed in Congress. Three times within two years laws, in the form of conditional contracts between the Government and the fruit company, which controls the entire business, were passed, imposing a duty of 1 cent American gold per bunch, for a term of years, but in each case the company declined to accept certain conditions contained in the laws as passed, and consequently the laws became null and void. It is not apparent that anything will be done in regard to an export duty before the expiration of the period of free exportation—October 29, 1910. The effect of the discussion has adversely affected the banana industry. Contracts with private growers which expire are renewed only for short periods, and contracts for new cultivations are withheld awaiting developments.

The declared value of exports from San Jose to the United States in 1908 was \$3,757, consisting of household effects worth \$546 and returned American goods, \$3,211. The declared value of exports from the Puntas Arenas agency, including gold bullion valued at \$9,534, was \$92,320. The articles were: Coffee, \$48,741; hides and skins, \$13,528; old copper, \$484; rubber, \$16,557; wood, \$3,297; other articles, \$179.

PORT LIMON.

By CONSUL CHESTER DONALDSON.

The imports into Port Limon during 1908 were valued at \$5,348,242, against \$7,260,000 in 1907, a decrease of \$1,911,758. The United States supplied 50 per cent of the imports; United Kingdom, 20 per cent; Germany, 15 per cent; France, 8 per cent; and all other countries, 7 per cent. The leading articles were as follows: Cotton cloth valued at \$980,000; flour, \$468,000; machinery, \$247,600; woolen cloth, \$212,000; coal, \$185,000; and rice, \$100,000. The United States furnished 25 per cent of the cotton cloth, all the flour, 80 per cent of the machinery, 85 per cent of the coal, 5 per cent of the woolen cloth, and 10 per cent of the rice.

The exports from Port Limon for 1908, including gold and silver, amounted to \$7,256,000, a decrease of \$1,116,000 from 1907. The leading items of export in 1908 were: Bananas worth \$4,027,728; coffee, \$2,046,520; gold and silver, \$673,353; cocoa, \$74,000; hides, \$60,000; and rubber, \$40,500. Of the shipments of bananas the United States took 68 per cent; coffee, 12 per cent; hides, 60 per cent; rubber, 95 per cent; cocoa, 40 per cent; and all the gold and silver.

GUATEMALA.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL WILLIAM OWEN, GUATEMALA.

The total foreign commerce of Guatemala in 1908 amounted to \$12,567,729, of which \$5,811,586 worth was imports and \$6,756,143 exports. The trade in 1907 was valued at \$17,491,060, the imports being \$7,316,574 and the exports \$10,174,486. The percentage of imports from the United States in 1906, 1907, and 1908 was 42, 40, and 37, respectively; Germany, 23, 22, and 27 per cent; United Kingdom, 21, 22, and 23 per cent; and other countries, 14, 16, and 13 per cent.

The principal imports into Guatemala during 1908 from the leading countries are shown in the following table:

Articles.	United States.	Germany.	United Kingdom.	Other countries.
Bags.....	\$5,055	\$90,394	\$65,757	\$2,154
Beer.....	10,378	26,109	7,888	1,420
Breadstuffs:				
Corn.....	670			1,448
Flour.....	391,806			
Wheat.....	978	7		
Carriages.....	11,193	2,406	20	205
China ware.....	1,873	26,577	809	1,890

Articles.	United States.	Germany.	United Kingdom.	Other countries.
Cotton, and manufactures of:				
Raw.....	\$27,519			\$10,550
Fabrics.....	315,345	\$245,909	\$641,502	67,263
Electrical apparatus and supplies.....	11,619	54,934	1,131	
Glassware.....	11,281	20,022	2,096	8,658
Iron and steel, manufactures of:				
Galvanized roofing.....	4,709	30,380	20,854	4,085
Hardware and machinery.....	162,806	178,313	42,609	16,602
Railway material.....	90,517	10,448	1,527	
Safes.....	1,313	189	68	
Sewing machines.....	4,975	1,646	935	54
Typewriters.....	1,888	677	2,275	
Rice.....	9,419	2,907	224	7,075
Silk goods.....	30,157	30,117	6,715	81,280
Woolen goods.....	3,006	50,056	16,091	10,952

The quantity of merchandise imported, taking into consideration the high rates of exchange that ruled during the past year, together with increased customs duties, is gratifying. The small falling off was for the most part in fancy articles.

The number of stores at this capital and the sharp competition have tended to reduce the margin of profit made by the importer.

Owing to the dry weather in April, May, and June the corn crop of the northern and western sections of the Republic was damaged, which will necessitate the importation of this article during 1909.

CHARACTER AND VALUE OF EXPORTS.

The articles and amount of each exported in 1907 and 1908, according to Guatemalan figures, are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bananas.....	\$179,904	\$200,474	Skins.....	\$21,469	\$24,576
Chicle.....	68,552	59,711	Sugar.....	142,153	186,788
Cocoa.....	1,498	2,195	Woods.....	236,464	144,349
Coffee.....	9,019,949	5,697,184	All other articles.....	15,489	15,585
Hides.....	292,928	266,707			
Rubber.....	196,080	158,574	Total.....	10,174,486	6,756,143

The percentage of the exports shipped to the United States in 1906, 1907, and 1908 was 30, 34, and 26, respectively; Germany, 53, 52, and 58 per cent; United Kingdom, 12, 10, and 11 per cent, and other countries, 5, 4, and 5 per cent.

The United Fruit Company has cleared and planted in bananas upward of 9,000 acres of land in the department of Izabal, on the line of the Guatemala Northern Railroad, commencing 20 miles from Puerto Barrios. Commodious houses have been erected on this property and sanitary methods employed to secure the health of the employees. Clearing and planting are to be continued. When it is understood that the yield of bananas is about 15 bunches per acre each month, it is safe to predict that the near future will bring a great increase in shipment of that fruit from Puerto Barrios.

The declared value of exports to the United States during 1908 from Guatemala and the agencies at Champerico, Livingston, Ocos, and San Jose de Guatemala was as follows:

Articles.	Guatemala.	Champerico.	Livingston.	Ocos.	San Jose de Guatemala.	Total.
Bananas.....			\$155,082			\$155,082
Coffee.....	\$1,896	\$739,514	130,052	\$200,081	\$825,204	1,896,736
Hides.....		4,349	6,026	1,761	2,471	14,607
Rubber.....		5,959	581	269	31,356	38,165
Skins.....		2,324	496	143	10,898	13,850
Sugar.....	630	12,558			32,620	45,809
Timber.....			5,473		10,623	16,096
Other articles.....	379		7,406			7,785
Total.....	2,895	764,704	305,106	202,254	913,174	2,188,134
Returned American goods.....	188		1,564		1,083	2,834
Grand total.....	3,083	764,704	306,670	202,254	914,257	2,190,968

COMPETITION IN TRANSPORTATION—RAILWAY CONSTRUCTION.

The most important development in Guatemala is that in railroad construction and in the outlook of roads in operation. The Guatemala Northern Railway, which gives this capital an open door on the Atlantic coast and which was inaugurated in January, 1908, has not yet received the share of traffic to which it is entitled on account of the sharp competition of the Pacific steamship lines, notably the Kosmos Line, which diverted large quantities of coffee through the Pacific ports to Salina Cruz, Mexico, for shipment across the Isthmus of Tehuantepec to destination.

The Guatemala Central Railroad, an American company, has secured control of the Ferrocarril Occidental and placed the two under one management. The combined roads have 186 miles of track, which for 75 miles is parallel to the Pacific coast and skirts the foothills of the richest producing section of the Republic.

The Guatemala Railway has in hand a contract to build a line from Zacapa through the city of Chiquimula to Santa Ana, in Salvador, thus giving that Republic a northern outlet. The date of commencement of actual construction depends upon conditions, financial and otherwise. It is expected by the officers of the Guatemala road that work will be commenced during the present year.

A contract between the Government of Guatemala and the Central Railroad for the construction of some 28 miles of road to connect the line of Ferrocarril Occidental and the terminus of the Pan-American road at the Mexican frontier has been hanging fire for upward of a year. The Central Railroad will have this new line surveyed and located during the present year. Construction will follow should financial and other conditions of this Republic warrant a further investment of the necessary capital. The Government also proposes to build a railroad connecting the city of Quezaltenango with the Occidental road at San Felipe.

I regret to say that the American flag is seldom seen at Puerto Barrios. The United Fruit Company runs steamers thence to New York and New Orleans, but they are, with few exceptions, of foreign ownership.

The debt of the Republic in 1907 was \$12,360,032 gold, or \$48,939,266 Guatemalan currency, and in 1908, \$13,694,445 gold, or \$40,047,635 currency. The revenues in 1908 amounted to \$37,335,957 currency, while the expenditures were \$49,794,934, making the net increase of the debt, in Guatemalan currency, \$12,458,977.

HONDURAS.

REVIEW OF TRADE CONDITIONS.

By CONSUL WILLIAM E. ALGER, TEGUCIGALPA.

The year 1908 was not a prosperous one for the Republic of Honduras. However, many concessions were granted during the year for construction of railroads, exploitation of natural resources, etc., all of which will doubtless be approved by Congress, and if complied with by the concessionaries will enable Honduras, if conditions are propitious, to once more start on the road to development and prosperity.

According to government statistics, the total foreign trade of Honduras for the fiscal year ended July 31, 1908, amounted to \$4,664,039, of which the imports were valued at \$2,829,979 and the exports at \$1,834,060, against a total trade in the preceding year of \$4,343,805, the imports being valued at \$2,331,398 and the exports at \$2,012,407.

The imports into and the exports from Honduras for the fiscal years ended July 31, 1907 and 1908, by countries, were as follows:

Country.	Imports.		Exports.	
	1906-7.	1907-8.	1906-7.	1907-8.
United States.....	\$1,562,642	\$1,878,942	\$1,824,914	\$1,591,351
British Honduras.....	63,404	108,735	11,962	33,040
France.....	110,425	97,840	.....	1,861
Germany.....	209,089	248,660	43,615	90,160
Italy.....	8,199	15,038	.....	.....
Nicaragua.....	34,849	53,189	1,484	1,889
Salvador.....	36,173	40,074	7,813	54,399
Spain.....	23,501	27,643	.....	.....
United Kingdom.....	269,786	339,746	1,126	32,131
All other countries.....	13,380	20,422	121,503	29,229
Total.....	2,331,398	2,829,979	2,012,407	1,834,060

EXPORTS BY ARTICLES.

The exports by articles, including bullion and specie, according to government figures, for the fiscal years 1906-7 and 1907-8 are shown in the following statement:

Articles.	1906-7.	1907-8.	Articles.	1906-7.	1907-8.
Animals, live.....	\$142,116	\$75,670	Wood—Continued.		
Cheese.....	.....	31,682	Other.....	\$3,655	\$21,678
Coffee.....	1,889	77,058	All other articles.....	55,679	40,663
Fruits and nuts:			Total.....	1,841,432	1,631,008
Bananas.....	910,916	768,508			
Coconuts.....	62,760	75,866	Bullion and specie:		
Hats, straw.....	3,457	3,949	Gold and gold dust.....	6,290	18,860
Hides and skins.....	79,653	88,619	Silver—		
Minerals and ores.....	513,727	372,222	Bar.....	132,168	85,912
Plantains.....	1,653	1,728	Specie.....	32,517	98,290
Rubber.....	38,745	30,272	Grand total.....	2,012,407	1,834,060
Wood:					
Cedar.....	8,858	6,792			
Mahogany.....	18,324	36,271			

The declared value of the exports invoiced at the several American consulates in Honduras to the United States during the calendar year 1908 was \$2,940,103, against \$3,125,258 for 1907.

A PROGRESSIVE MINING COMPANY.

During 1908 an American mining company located in the San Juancito district gave employment to 1,831 persons, of which 20 were from the United States. The company paid in salaries and wages during the year \$352,000. It imported 1,045 tons of supplies, valued at \$164,880, all of which was of American manufacture. During the year the company mined and milled 29,518 tons of ore, which yielded 978,450 ounces of silver and 14,684 ounces of gold, all of which was shipped to New York for smelting and refining. The production in 1907 was 923,437 ounces of silver and 11,950 ounces of gold.

The company has completed a modern cyanide plant and is installing a 950-horsepower electric station for generating power to operate two air compressors, capable of delivering 4,000 cubic feet of air per minute. The machinery for this new plant came from the United States.

The value of the exports declared from the Tegucigalpa district to the United States during 1908 was \$700,648, against \$723,023 in 1907. The leading items for 1908 were as follows: Cyanide products worth \$408,558; gold and silver concentrates, \$95,644; gold bullion, \$66,640; silver bullion, \$31,655; and hides and skins, \$13,759.

CEIBA.

By CONSUL DREW LINARD.

The value of exports of native products from this consular district for 1908 shows a slight decrease, as compared with that of the preceding year. The unusual and prolonged drought during 1908 caused considerable loss and damage to banana production, the principal industry of the district.

The area of production of bananas increased about 20 per cent during the year, but the declared exports showed a falling off in total value. This fact has brought to the attention of the larger planters the necessity of irrigation as a means of protection against disastrous droughts and the consequent financial losses.

Cocoanuts, sarsaparilla, specie, and turpentine show a gain in values of exports, while hides, mahogany, and rubber show a loss in both value and quantity.

INDUSTRIAL DEVELOPMENT.

The construction of railroads in the immediate vicinity is gradually increasing the banana crop, while the development of land for agricultural purposes is gratifying. Numerous concessions have been given to mining companies for the exploitation and development of mineral resources, but more important is the concession granted to an American company to construct a standard-gauge railroad from the seaport of Truxillo to Tegucigalpa, with branch lines to important cities in the interior. The surveys for the location are being rapidly pushed and the construction work is now proceeding inland from Truxillo.

The development of the valuable hard-wood forests continues inactive, because of the lack of capital to construct the needed means of transportation to the coast. The concessionaries, however, are sanguine of forming a company with sufficient capital to begin operations this year.

The recent erection of several substantial buildings for business purposes in Ceiba and the addition of a new steamship line trading to this port, making four in all, are evidences of a tendency toward progress in trade and commerce in this consular district.

TRADE MOVEMENTS—EXPORTS TO THE UNITED STATES.

As no record of the value of imports or countries from which they are received is obtainable at the customs-house at this port, all manifests and invoices being sent to the capital for filing, it is not possible to give a detailed report of the imports for 1908. But judging from information obtained from authoritative sources it is thought that the total imports about equaled those of the preceding year. Canned and bottled goods, hardware, dry goods, and building materials featured most prominently among the imports.

The United States took all the exports from this district in 1908 and furnished approximately 95 per cent of the imports which passed through the customs at this port, the remaining 5 per cent being about equally divided among the United Kingdom, Germany, and France.

The declared value of exports to the United States for 1908 showed a decrease of \$209,334 from the previous year. The following detailed statement gives the articles and their values in each of the past two years:

Articles.	1907.	1908.	Articles.	1907.	1908.
Fruits and nuts:			Rubber.....	\$31,562	\$16,040
Bananas.....	\$1,048,832	\$748,756	Sarsaparilla.....	18,135	19,008
Cocoanuts.....	6,139	148,750	Shells.....		300
Oranges.....	961	1,665	Specie.....	1,700	3,825
Other.....	31	22	Turpentine.....	1,657	4,800
Hides and skins.....	32,563	17,938	All other articles.....	77,083	46,813
Parrots.....		205			
Resin.....	537	1,744	Total.....	1,219,200	1,009,886

The declared value of the exports from the agencies of Tela and Bonacca to the United States was \$100,166 and \$50,917, respectively. Bananas were the only article of export from Tela, while the principal items from Bonacca were cocoanuts, valued at \$21,543; bananas, \$16,798; and plantains, \$6,575.

PUERTO CORTES.

By CONSUL WILLIAM E. ALGER.

The declared value of exports from Puerto Cortes to the United States for 1908 was \$1,229,589, against \$1,183,035 and \$1,507,575 for 1907 and 1906, respectively. The exports of bananas lead with 2,020,200 bunches, valued at \$1,010,100, followed by coffee and

rubber. The following are the principal articles exported during 1907 and 1908 and their values for each year:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bananas.....	\$1,000,000	\$1,010,100	All other articles.....	\$1,008	\$4,696
Coffee.....	11,950	38,488			
Hats, Panama.....	2,200	3,081	Total.....	1,158,120	1,131,823
Hides.....	19,362	11,771	Bullion and specie.....	19,183	56,100
Rubber.....	33,233	24,940	Returned American goods	5,732	41,666
Sarsaparilla.....	26,604	19,126			
Skins, deer.....	9,365	5,323	Grand total.....	1,183,035	1,229,589
Wood.....	54,398	14,308			

NICARAGUA.

REVIEW OF TRADE CONDITIONS.

By CONSUL JOSÉ DE OLIVARES, MANAGUA.

The total foreign trade of Nicaragua in 1908 was valued at \$6,606,863. The figures for 1907 are not available, but there was a decrease in the Republic's trade for 1908. The imports were valued at \$2,958,879 and the exports at \$3,647,984, the imports from the United States being \$1,434,648 and the exports thereto \$1,594,567.

The following table gives the value of the imports into and exports from Nicaragua, by countries, in 1906 and 1908, respectively:

Country.	Imports.		Exports.	
	1906.	1908.	1906.	1908.
United States.....	\$1,914,961	\$1,434,648	\$2,492,480	\$1,594,567
France.....	193,661	154,455	480,502	567,067
Germany.....	400,399	324,774	458,718	641,634
United Kingdom.....	776,133	826,468	452,142	502,814
Other countries.....	123,685	218,534	347,215	341,882
Total.....	3,408,829	2,958,879	4,231,057	3,647,984

The declared value of exports from the consular agency at San Juan del Sur for 1908 was \$62,541. The principal articles were: India rubber, \$33,392; hides, \$11,486; deerskins, \$5,215; rosewood, \$4,816; coffee, \$2,689.

BLUEFIELDS.

By VICE-CONSUL MICHAEL J. CLANCY.

The total value of declared exports from Bluefields to the United States in 1908 was \$1,088,532. The following were the principal articles exported:

Articles.	Value.	Articles.	Value.
Amalgam.....	\$65,691	Bullion, gold.....	\$399,357
Bananas.....	531,133	Returned American goods.....	3,767
Cocoanuts.....	4,590		
Rubber.....	89,275	Grand total.....	1,088,532
Shell, turtle.....	1,138		
All other articles.....	3,531		
Total.....	695,408		

CAPE GRACIAS A DIOS.

By CONSUL EDWIN W. TRIMMER.

During June, 1903, the small uninhabited alluvial island dividing the Wanks or Coco River into two channels as it flows into the Caribbean Sea was selected as a town site by representatives of an American company operating under a mineral, agricultural, and navigation concession granted by the Nicaraguan Government, the island being a part of five caballerias of land (about 559 acres) granted to them for that purpose.

A survey was made jointly by government and company engineers, and shortly afterwards mechanics and machinery arrived from the United States, a saw and planing mill was installed, and the work of cutting lumber to be used in the construction of wharves, warehouses, shops, stores, and other necessary buildings to house the employees and carry on the various enterprises began.

Tugs, barges, and a small passenger boat were put into commission, a telegraph line was constructed connecting the port with the mining district, a preliminary survey for a railroad was made, and early in 1904 a modern steel-hull river steamer, built for the company, arrived from the United States and has since made weekly trips to the head of navigation.

In accordance with the terms of the concession, on January 1, 1905, a custom-house and office building, built by the company for the Nicaraguan Government, was presented and occupied by the officials of the government, and the new town officially declared a port of entry.

Merchants and residents of the old town of Cape Gracias, some 10 miles distant, gradually moved to the new port, erecting for their use substantial wharves, warehouses, and other buildings, both commercial and residential, and until the latter part of 1906 the town grew rapidly and business prospered.

UNFAVORABLE CONDITIONS.

In October of that year a hurricane destroyed the rubber and banana plantations in the Bluefields and Pearl Lagoon districts and seriously checked business enterprises of all kinds on the east coast of Nicaragua. Operations were largely suspended, and the subsequent war between Nicaragua and Honduras, followed by a large increase in Nicaraguan tariff duties, did not improve conditions, while the failure during the depression of 1907 of firms in the United States extensively interested in Nicaraguan enterprises, both commercial and mining, added to the general depression.

There were, however, no failures in this section, and business was slowly reviving when, in October last, hurricane and tidal wave for the second time devastated a large territory along this coast, inundating and sweeping away the towns of Principolca and Great River and again destroying the banana plantations in the Pearl Lagoon district.

Except for alarmingly high tides, which at times covered the island to a depth of several inches, no direct damage was done at this port by the hurricanes, but business interests in eastern Nicaragua are in so many respects identical that disaster at one point means disaster to all, especially since gold and bananas, owing to the growing scarcity of rubber, remain virtually the only commodities available for export.

GOLD MINES THE PRINCIPAL SOURCE OF REVENUE.

The welfare of this district is now dependent almost entirely upon the gold mines, there being no manufactories, and at present no agricultural products are grown for export.

There are no roads in the district, the towns being located on the river bank, and water affording the only means of transportation.

Five wholesale firms import general merchandise and mining supplies at this port, but the retail trade here and along the rivers is largely in the hands of Chinese, and several mining companies have lately established commissaries and import provisions, dry goods, clothing, etc., directly from the United States. House rents and living expenses are high, all imported articles costing at retail more than 150 per cent above United States prices.

The population is small, consisting of Nicaraguan officials, soldiers, etc.; the American, English, German, and Chinese merchants; engineers, miners, and lumbermen, practically all of whom are from the United States; a number of West India Islanders, and approximately 7,000 Mosquito and Sumu Indians who live in small communities along the river.

A river steamer with a carrying capacity of 100 tons makes the trip from the old town of Cape Gracias to the mouth of the Waspook River, now the head of steam navigation, in thirty hours, and transportation charges are much lower than when small cargo boats, paddled by natives, were in use. There are a large number of men still employed in transporting cargo to the mines, but there are hundreds of able-bodied men without employment.

GENERAL CONDITIONS.

This condition may concern the average Indian little, as his necessities are well supplied by nature. Tropical fruits and roots grow practically spontaneously; fish, oysters, and game are abundant; he has pigs and fowls, and his cattle roam at will over the savannas. The erection of a thatched bamboo house is only a matter of a few days' work, and with food and shelter provided his remaining wants are few.

The business men, however, are beginning to realize that lack of earning capacity has correspondingly curtailed the Indian's purchasing and debt-paying power, and they sadly miss the thousands of silver soles formerly earned and expended by these men, and exports and imports are falling off. The day of the rubber cutter and placer miner is passing, and other industries must take their place. The most feasible project, the one best understood by the natives and the one from which the most immediate returns might be expected, would seem to be the growing of bananas for export. Thousands of acres of fertile land are available and this harbor, without any improvement, is now far better than that of many Caribbean fruit ports.

SHIPPING FACILITIES.

The Wanks, like most rivers flowing into the Caribbean, has a bar impassable except for light-draft vessels, but unlike others, for several miles above its mouth, only a low, narrow strip of land separates it

from a well-protected anchorage. Through this strip a channel has been cut large enough for the passing in and out of small boats used to lighter cargo. With this channel enlarged to admit ocean-going vessels, the river would be navigable for fruit ships for a distance of 70 miles.

For this distance the river flows through low, alluvial land, the banks gradually becoming higher as one ascends. Above that point the depth lessens, and for another 70 miles of its course it flows through a heavily timbered pine district interspersed with savannas, and from there to the head of light-draft steam navigation and for hundreds of miles above along the Wanks, Waspook, and their many tributaries, a rich, deep, red loam covered with a heavy growth of bamboo slopes gradually from the banks. Bamboo growth is considered an evidence of great fertility by the practical banana grower, and results so far obtained warrant the belief that the valley of the Wanks is the best fruit section in Nicaragua.

As compared with 1907, rubber invoiced at this port during 1908 showed a falling off of 40,145 pounds, while gold exports increased during the same period 8,129 ounces. As no new mines were opened during that time this increase is considered gratifying.

MINING OPERATIONS.

Opinions regarding the mineral district expressed by engineers on the ground and many others who have visited the mines now operating coincide with the opinion given by an engineer who has lately looked over the ground in the interests of American capitalists and who says:

The district, as developed, appears to be about 30 miles long and 8 or 10 miles wide. It is probably much longer. Most of the development has been done in the south-western portion, beginning near the Siempre Viva mine and extending northeast through the Constancia, Lone Star, Bonanza, and Mars. These mines seem to be all on one continuous fracture, with ledge widths of actual ore 30 to 90 feet wide. Sometimes the ledge is a solid wall 70 to 90 feet wide, sometimes split up into three or more from 5 or 10 feet up to 30 or 40 feet wide. The total quantity of ore is enormous. Its value ranges from \$4 or \$5 up to \$15 or \$20 per ton. Surface oxidation has been very extensive and the mills are now mostly run on surface dirt or oxidized ore. This makes mining and crushing easy, about half the values then being available by amalgamation. The balance of the extraction is by cyaniding more or less complete at the different mines. This is rendered expensive by reason of the excess of clay in the oxidized ore, producing about 70 per cent slimes.

Although at present operated under very adverse conditions as to transportation, etc., the mines, when managed with reasonable efficiency, undoubtedly produce a gratifying return on the ore mined. When the unoxidized zone is reached the expense of mining and crushing will be increased, but those of timbering, tramming, and cyaniding will be reduced fully as much. The expense of supplies is one drawback; there is no means of transportation in the upper rivers except by dugout, the freight from the coast being 4 cents per pound on everything except machinery, on which it is 5 cents.

The character of the ore as indicating permanence in depth is excellent. Sugary quartz with sulphurets, ribbon rock, clay selvage, and all the other indications of such permanency are in full evidence. The veins are true fissures in a hard volcanic rock, so there can be little doubt that the fissures themselves continue in depth. Most of the veins lie in steep, high hills, so that a vast amount of mining can be done without pumping. There is plenty of water power in the region, plenty of timber, and the soil everywhere rich and productive.

IMPORTS AND EXPORTS.

The total value of imports into this port during 1908 was \$100,304, consisting of chemicals, \$8,993; general merchandise, \$57,021;

liquors, \$4,862; and machinery, \$29,428. The United States furnished practically all the imports.

The total value of exports was \$311,010, consisting of gold, \$292,421; hides, \$3,036; and rubber, \$15,553. All the exports found a market in the United States.

The declared value of exports to the United States from Cape Gracias a Dios was \$311,477, the articles being: Gold, \$292,421; hides, \$3,036; rubber, \$15,553; and returned American goods, \$467.

PANAMA.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL CLAUDE E. GUYANT, PANAMA CITY.

There is practically no manufacturing in the Republic of Panama, so the industry of the country is chiefly confined to supplying the population with imported articles and to cultivating and exploiting the many natural resources of the Isthmus. The general industrial condition of the country during 1908 was not much different from that of the year preceding, commerce not being conducted on a scale large enough to be affected seriously by the money crisis in the United States.

The total foreign trade of Panama, exclusive of imports into the Canal Zone, in 1908 amounted in value to \$9,627,940, against \$11,525,115 in the previous year, a loss of \$1,897,175. The imports in 1908 were valued at \$7,806,802 and the exports at \$1,821,138, against imports valued at \$9,564,450 and exports \$1,960,665 in 1907. The United States supplies the bulk of the imports into the Republic. The percentages of imports from the various countries were as follows: United States, 57.13; United Kingdom, 19.9; Germany, 10.17; France, 4.94; Italy, 1.97; China, 1.65; Spain, 1.03; and other countries, 3.21.

The imports, by classes, from each of the six leading countries and the total imports were as follows:

Class.	United States.	Belgium.	France.	Germany.	Italy.	United Kingdom.	Total.
Animal products.....	\$913,516	\$12,801	\$17,962	\$133,283	\$26,189	\$135,698	\$1,258,901
Arms and explosives.....	23,121	5,977	480	1,412	.....	5,128	39,745
Chemicals, etc.....	201,026	66	35,884	42,243	3,903	65,524	350,162
Machinery, etc.....	138,249	1,861	4,842	6,989	300	76,256	229,837
Mineral products.....	564,472	20,838	7,646	38,849	10,163	103,748	748,056
Paper, and manufactures of.....	40,639	1,242	4,271	17,882	2,030	5,536	74,671
Spirits, etc.....	279,486	10,494	171,280	75,925	27,865	91,449	675,693
Textiles.....	364,321	1,162	22,123	83,583	36,095	599,156	1,178,803
Vehicles.....	49,884	1,149	500	174	.....	3,189	54,946
Vegetable products.....	1,205,612	13,191	16,989	252,839	26,498	155,277	1,879,297
Other.....	679,452	8,774	103,891	140,404	20,959	312,684	1,316,692
Total.....	4,459,778	77,555	385,868	793,583	154,002	1,553,543	7,806,802

The manufacturing interests of the Republic are practically nil, and the country is almost entirely dependent upon the outside world for finished products of all kinds. There is one ice factory and one small soap factory in the city of Panama, which supply local demand only. In addition there are several small bottling works. There is also being built in the city of Panama a brewery which will be in operation

about August, 1909, and which will have a daily capacity of about 108 barrels of beer, all of which will be sold locally and along the line of the Panama Canal. The Chinese residents here have several small manufacturing establishments for the making of cheap shoes and clothing, but these goods, produced on a small scale, are all used in supplying the local demands of the lower classes.

The greatest industry in Panama is the cultivation of bananas, which constitute the largest item of export. During 1908 bananas were exported from the Republic to the value of \$1,227,150, the United States taking the total product. Another important item of export is hides, the shipments of which were valued at \$70,425, the United States taking \$52,998 worth. Cocobolo and other hard woods are staple articles, and during 1908 their shipments amounted in value to \$47,746, \$44,778 worth being sent to the United States. Ivory nuts were exported to the value of \$64,975, the United States taking the total product. The rubber industry is one that gives promise of growth. The total value of this article exported during the year was \$44,796, \$40,982 being shipped to the United States. Coffee and cacao were exported to the value of \$14,876, but these articles are as yet relatively unimportant in the commerce of the country, being grown only on a small scale by the native planters.

The articles exported from Panama and their values, with the shipments to the United States during 1908, are shown in the following table:

Articles.	Total.	To United States.	Articles.	Total.	To United States.
Bananas.....	\$1,227,150	\$1,227,150	Iron, old.....	\$14,041	\$14,041
Cacao.....	13,876	4,339	Ivory nuts.....	64,975	64,975
Cocoanuts.....	178,933	178,933	Mother-of-pearl shell.....	28,593	2,895
Coffee.....	1,000	1,000	Rubber.....	44,796	40,982
Gold, bar.....	64,599	.....	Sarsaparilla.....	20,027	760
Gum.....	2,420	2,420	Tortoise shell.....	20,959	320
Hard woods.....	47,746	44,778	All other articles.....	4,293	706
Hides and skins.....	84,193	66,766	Total.....	1,821,138	1,651,399
Horns.....	1,041	459			
Ipecac.....	2,496	815			

The percentage of exports to the United States in 1908 was 90.34; United Kingdom, 6.43; Germany, 1.38; and other countries, 1.85.

COLON.

By CONSUL JAMES C. KELLOGG.

The value of the imports into Colon in 1908 was \$2,205,361, an increase of \$166,009 over the previous year. The imports, by countries, showing increases or decreases, were as follows:

Country.	Value.	Increase (+) or decrease (-).	Country.	Value.	Increase (+) or decrease (-).
United States.....	\$1,107,017	-\$168,316	Spain.....	\$27,942	- \$1,892
Belgium.....	149,909	+ 149,909	United Kingdom.....	341,338	- 7,711
France.....	97,293	+ 3,495	All other countries.....	132,119	+ 71,813
Germany.....	283,691	+ 74,907	Total.....	2,205,361	+166,009
Italy.....	34,484	+ 10,236			
Netherlands.....	33,568	+ 33,568			

The imports, by principal articles, from the five leading countries were as follows:

Articles.	United States.	United Kingdom.	Germany.	France.	Belgium.
Dry goods, boots, and shoes, etc.....	\$456,288	\$125,345	\$81,694	\$33,045	.....
Drugs, etc.....	17,592	23,995	13,809	4,103	.....
Hardware.....	20,610	28,635	14,216	.....	.....
Iron and steel (building material).....	.....	.....	.....	.....	\$149,909
Lumber.....	22,856	525	.....	.....	.....
Provisions.....	406,196	44,790	68,329	12,363	.....
Other articles.....	183,475	118,048	105,643	47,782	.....
Total.....	1,107,017	341,338	283,691	97,293	149,909

EXPORTS TO THE UNITED STATES.

The value of exports to the United States during 1908 amounted to \$182,716, an increase of \$81,924 compared with the previous year. The principal articles of export were: Coccoanuts, \$104,912; hides, \$15,551; ivory nuts, \$36,011; and tortoise shell, \$12,428. Returned American goods amounted to \$6,877. The estimated value of exports to Great Britain was \$224,475, and to Germany \$98,068. These exports consisted chiefly of cocoa, rubber, and tortoise shell. Foreign old metal to the value of \$3,359 was also exported to the United States.

The declared value of the exports from Colon to the United States during each of the past two years was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bananas.....	\$4,000	\$303	Ivory nuts.....	\$23,958	\$36,011
Cocoa.....	2,278	.....	Rubber.....	6,691	4,338
Coccoanuts.....	37,839	104,912	Tortoise shell.....	12,428	12,428
Coffee.....	4,458	.....	Other articles.....	1,933	9,173
Cotton.....	765	.....	Total.....	100,792	182,716
Hides.....	6,442	15,551			

SHIPPING—FREIGHT TRAFFIC.

The number of steamers entering this port during 1908 was as follows: One hundred and fifty British, of 383,150 tons; 113 German, of 278,478 tons; 72 Norwegian, of 100,576 tons; 22 French, of 59,812 tons; 12 Italian, of 33,379 tons; 11 Spanish, of 37,484 tons; and 2 Cuban, of 1,200 tons. Of sailing vessels, 4 American, of 919 tons, and 22 British, of 2,896 tons, entered this port. During the same period steamers of various countries, principally Norwegian and British, entered the neighboring port of Cristobal, Canal Zone, with cargoes for the Isthmian Canal and Panama Railroad Company, also for the Pacific port of Panama. The total number of vessels arriving at the ports of Colon and Cristobal during the year with coal was 77, other freight 942, a total of 1,019, with a tonnage of 984,629, an increase of 139 vessels with 284,006 tons.

Freight traffic from New York and New Orleans to South Pacific ports increased 4,662 tons, to Panama, 2,348 tons, while that to Central America and Mexico showed a decrease of 6,104 tons. From

Europe to Central America and Mexico there was a decrease of 3,365 tons, and to South Pacific ports an increase of 19,938 tons. Traffic from Central America and Mexico to Europe increased 18,407 tons, and from South Pacific ports to Europe 3,203 tons. The total tonnage from Colon to Pacific ports was 880,301 tons, as compared with 640,132 tons during 1907, an increase of 240,169 tons; while the tonnage from the Pacific ports to Colon was 304,348, compared with 296,212 tons during 1907, an increase of 8,136 tons over the preceding year. The number of passengers carried during 1908 was 1,385,645, against 882,277 during 1907.

The freight traffic of the Panama Railroad Steamship Line showed a decrease of 14,823 tons, and the number of passengers carried a decrease of 342, as compared with 1907. The through traffic was 36 per cent of the total tonnage handled, against 41 per cent during 1907. The total tonnage carried by the company's steamers amounted to 214,870 tons. The earnings of the steamship line amounted to \$1,458,554, a decrease of \$102,356 compared with 1907.

COAL RECEIPTS—IMPROVEMENTS.

The amount of coal imported for the use of the Isthmian Canal Commission and Panama Railroad Company consisted of 380,792 tons from the United States, an increase of 177,341 tons over the previous year. The total amount of coal and material imported was brought in foreign vessels with the exception of that which came in Panama Railroad Steamship Line steamers, a very small amount compared with that brought in foreign vessels, principally Norwegian and British.

The greater number of the cargo steamers continue to enter and discharge in Cristobal, but the regular steamers enter and discharge at Colon; both classes of steamers enter and clear at their respective consulates at Colon, which is really the most important port of the Republic, with the exception of American vessels arriving at Cristobal, which enter at the Cristobal custom-house.

During 1908 there was much done in the erection of new buildings on and near the beach for the accommodation of employees of the Panama Railroad Company and their families. These new buildings run from small cottages to large residences. Much work for the improvement of Colon has been mapped out for the coming year, such as the building of a new concrete railroad station, a new stone school-house, and the establishment of a city park. The Colon Public Library, started during 1908, contains at present 1,000 volumes. It will be opened to the public in 1909.

The sanitary work of the Isthmian Canal Commission, which has brought wonderful results in the health of this city, is progressing. City lots are being filled in, houses are being provided with concrete floors, and the work of filling in the swamp in the rear of the city has begun.

COST OF LIVING.

Living expenses at Colon are very high compared with those of other towns in Central and South America. The rent of houses and rooms is exceedingly high. Rent and food are so high that it is

impossible to live comfortably on a small salary, and for this reason many persons, excepting those who are well paid and enjoy free quarters and the privileges of the commissary stores, are anxious to leave the city.

The increased cost of living, due to the large and continued influx of people, has caused the Isthmian Canal Commission and Panama Railroad Company to increase the pay of their employees 11 per cent, and this has been followed by similar action by the various steamship companies. The employees of these companies also have free quarters in buildings belonging to the companies, and are allowed commissary privileges, thereby reducing their living expenses compared with those of the employees of other concerns.

TRADE CONDITIONS.

Trade continued depressed in Colon, several houses being obliged to countermand orders, and since August last few orders have been sent as the stores were overstocked in all lines of goods. The decrease in American imports amounted to \$168,316 as compared with those of the previous year, which, although a smaller falling off than in 1907, nevertheless indicates that imports from the United States are declining each year.

There are many lines of American goods sold here which are preferred to those of European manufacture, such as boots and shoes, hats, canned provisions, typewriters, beer, men's furnishing goods, household furniture (wooden), carpenters' and machinists' tools, umbrellas, and clocks. There are other lines that could be sold here, such as iron furniture, ready-made clothing suitable for the Tropics, upright pianos made for the Tropics, office furniture and appliances, oilcloths and linoleums, and galvanized-iron roofing, which at present are imported chiefly from England. Iron bedsteads of American make are found in the stores, but it is claimed that the English article sold here extensively is more substantial and better made; the same can be said of the English upright pianos, which are coming into favor; these pianos have no veneering and are made of specially seasoned wood. The bulk of linen and woolen piece goods, cutlery, canned preserves, and galvanized-iron roofing are imported from England. Germany holds her own in low-priced ready-made clothing, woodenware, inexpensive jewelry, crockery, glassware, and toys.

There are some Americans engaged in business here, but the rest of the business firms, excepting one or two Panamanian houses, are conducted by the subjects of European nations, who, all things being equal, prefer to deal with the manufacturers and exporters of their home countries. During 1908 a few American manufacturers appointed local agents, but as they have not been supplied with samples, the value of their services is about on a par with that of the catalogues which are being abundantly supplied to the local trade and which bring small results. Up-to-date salesmen, well provided with samples, better packing of goods, and more careful attention to orders are features which American exporters should adopt in order to increase their trade with this as with other foreign countries.

BOCAS DEL TORO AGENCY.

By CONSULAR AGENT PAUL OSTERHOUT.

The total foreign trade of Bocas del Toro in 1908 amounted to \$2,520,314, \$1,251,233 being imports and \$1,269,081 exports. During the year a great deal of structural iron for bridges, and several locomotives of about 20 tons size were imported, also a large quantity of iron rails. Few wooden ties are used in railway construction, as steel ties prove more satisfactory.

Two cargoes of coal, of about 3,000 tons each, were imported in addition to what was brought by the fruit-carrying ships.

The articles of merchandise imported from the United States are general in character, and have to be imported because nothing is manufactured in this country. They consist of the following: Flour, shoes, furniture, hats, tinware, hardware, enameled ware, china ware, jewelry, laces, alcoholic beverages (including beer, ale, and whisky), machinery, tools, lubricating oil, kerosene, drugs, stationery, soaps, confectionery, provisions both in tins and in other packages, and lumber. The lumber imported from the United States in 1908 amounted to 385,739 cubic feet, valued at \$76,311.

Large quantities of codfish and butter come in bond from Nova Scotia. Sugar is brought from Europe and Jamaica. Imports directly from Europe include hardware of all kinds, corrugated-iron roofing, cutlery, beet sugar, preserved foods in glass and tin containers, enameled ware, cotton and woolen goods, laces, notions, jewelry, clocks, toys, and wines and liquors of all kinds.

It is quite noticeable that no ready-made clothing is offered for sale; piece goods imported from Europe are made up by local tailors.

The value of the merchandise imported from Europe was \$220,520 in 1908, against \$120,000 in 1907.

PRINCIPAL INDUSTRY AND EXPORTS OF THE DISTRICT.

The principal industry of this district is the cultivation of bananas. This industry is confined to the operations of the United Fruit Company in the districts of the Changuinola and Sixola rivers. This company has about 80 miles of railroad (36-inch gauge and 30-pound rails) for its general traffic and 25 miles of tramway which are used as feeders to the main lines.

The exports to the United States in 1908 were valued at \$1,230,301, of which \$1,227,150 represented the shipments of bananas. The exports to Europe amounted to \$38,780, against \$32,275 in 1907.

The articles exported in 1908 and their values and destinations are shown in the following statement:

Articles.	Quantity.	Value.	Destination.
Bananas..... bunches	3,061,811	\$1,227,150	United States.
Calipee..... pounds	8,588	866	Europe.
Chocolate..... do	40,264	5,113	Do.
Cocconuts..... do	192,300	3,078	United States.
Curios, native..... case	1	10	Do.
Hides..... pounds	21,063	1,953	Europe.
Metal, scrap..... do	4,118	445	Do.
Pineapples..... crates	4,55	63	United States.
Rubber..... pounds	9,825	3,324	Europe.
Sarsaparilla..... do	51,702	13,659	Do.
Turtle shell..... do	4,235	13,420	Do.
Total.....		1,269,081	

PUBLIC IMPROVEMENTS—RAINFALL—NAVIGATION.

During the year the concrete dock erected by the United Fruit Company was finished and is now in use. This wharf has been connected with an ample supply of water from which steamers can be supplied.

The raising of the grade of the town by the Panama Government is about completed. This adds very materially to health conditions and has increased the improved area. The town has a population of about 5,000. A preliminary survey for a waterworks system has been made.

The total rainfall in 1906 was 105.04 inches; in 1907, 121.42 inches; and in 1908, 112.51 inches. On February 22, 1909, 22.92 inches of rain fell, causing an unprecedented flood that did much damage. The highest temperature recorded in 1908 was 89° and the lowest 64°.

There were 249 vessels entered and cleared at this port in 1908, of which 52 were British, 25 German, 171 Norwegian, and 1 Swedish. In addition there was 1 American schooner.

PANAMA CITY.

By CONSUL-GENERAL ARNOLD SHANKLIN.

The Government of Panama expects to improve its harbors and highways, the first step in this direction having been taken in the appointment of an American civil engineer, who is making an inspection of that part of the Republic lying between the Canal Zone and the Costa Rican boundary and between the Pacific Ocean and the Caribbean Sea. The object is to perfect the harbors and to build railroads so that people living in the interior can get their products to the coast-line steamers or into Panama City or the other large towns of that section. At present this is impossible, and there is no incentive for farmers to till their soil and to raise cattle other than enough to supply their own wants.

In each town of considerable size in the Republic schoolhouses and other public buildings are being built and general improvements are being made in and around the Government's property, with an offer of government assistance to the residents to aid in improving their own, the benefits of which are so far-reaching that they are incalculable.

COAST-LINE SERVICE—EXPORTS TO THE UNITED STATES.

At present a steamship company is operating 5 coast-line steamers between the city of Panama and the city of David, on the Pacific Ocean. David is a town of about 8,000 people, beautifully situated, with a good dock and a roadway reaching from the bay to the town, a distance of about 3 miles. These coast-line steamers have proved themselves a paying investment, for they are practically the only means of transportation, there being no roadways.

The exports from this district to the United States during 1908 were valued at \$211,592, including returned goods, and consisted of the articles shown in table at top of page 229.

Articles.	Value.	Articles.	Value.
Cacao.....	\$2,763	Wood:	
Coffee.....	2,253	Cocobolo.....	\$37,945
Copper, old.....	1,562	Mahogany.....	3,655
Hats.....	393	All other articles.....	578
Hides and skins.....	80,966	Total.....	198,142
Household effects.....	1,905	Returned American goods.....	13,450
Ipecacuanha.....	890	Grand total.....	211,592
Ivory nuts.....	29,068		
Rubber.....	35,494		
Seeds, cedron.....	670		

SALVADOR.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL ARTHUR HUGH FRAZIER, SAN SALVADOR.

The size of the coffee crop is the best indication of the prosperity of Salvador, as its value far exceeds that of any other product of the Republic. The crop amounted to 55,215,110 pounds in 1908 and was valued at \$10,398,480 Salvadorean currency (Salvadorean silver peso=38.3 cents United States gold), as compared with a crop of 56,329,200 pounds, worth \$10,745,372, in 1907. Since the harvesting begins in November and continues until April, the coffee shipped during 1908 was principally from the crop of 1907, and only a portion was from the crop of 1908.

The imports from the United States in 1908 exceeded those during 1907 by \$90,057 gold. There were increases in the imports of cotton goods, leather, free imports and machinery, a slight decrease in those of drugs, flour, and provisions, and a large decrease in miscellaneous imports. The item "machinery" does not represent the total amount of machinery imported, since it refers only to that which was dutiable. The free list includes a large amount of mining machinery. The total imports from all countries during 1907 and 1908 were \$3,440,822 and \$4,240,560 gold, respectively, and from the United States \$1,197,395 and \$1,287,452.

UNITED STATES SALVADOR'S CHIEF CUSTOMER.

The exports to the United States make up nearly one-third of the total exports from Salvador. The nearest competitors are France and Germany, which took \$1,417,428 and \$1,058,305, respectively, in 1908, but the exports to the United States nearly equal the combined exports to those countries. The value of the exports to the United States remained nearly constant for the two years. The value of exports to the United States in 1908, as compared with 1907, is shown in the following table, compiled from Salvadorean official statistics:

Articles.	1907.	1908.	Articles.	1907.	1908.
Balsam.....	\$24,310	\$20,795	Metals—Continued.		
Coffee.....	891,113	781,399	Lead, bars.....	\$33,656	\$6,080
Hides.....	14,424	9,697	Rubber.....	6,205	10,595
Indigo.....		9,900	Sugar.....		26,680
Metals:			All other articles.....	2,210	2,172
Copper, scrap.....	8,152	8,596	Total.....	2,018,459	2,046,398
Gold bullion.....	715,428	822,581			
Gold and silver.....	322,961	347,903			

IMPORTS AND EXPORTS BY COUNTRIES.

The following table gives the value of the imports into and exports from Salvador, by countries, during 1907 and 1908, respectively:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$1,197,395	\$1,287,452	\$2,018,459	\$2,046,398
Austria-Hungary.....	10,072	24,539	300,060	211,917
Belgium.....	165,431	96,972	480	360
China.....	71,737	87,567		
Costa Rica.....		20,331	17,175	22,918
Ecuador.....	6,584	7,298	36,292	50,434
France.....	314,156	269,758	1,066,209	1,417,428
Germany.....	365,872	442,865	1,011,525	1,068,305
Honduras.....	38,336	102,907	69,978	43,439
Italy.....	89,777	112,985	629,489	374,434
Japan.....	24,885	46,011		
Mexico.....	3,657	15,094	53,600	10,720
Netherlands.....	20,601	21,369	4,280	5,456
Nicaragua.....	18,945	20,797	5,017	13,580
Norway.....	475	1,255	41,734	24,135
Panama.....	8	749	134,192	135,459
Peru.....			37,862	38,713
Spain.....	65,604	110,836	173,543	193,467
Sweden.....	4,903	8,813	110,630	54,414
United Kingdom.....	1,017,899	1,539,047	311,544	449,167
All other.....	24,585	23,905	43,315	22,778
Total.....	3,440,822	4,240,560	6,065,384	6,173,522

The following table gives the value of the principal imports into Salvador from the United States, Belgium, France, Germany, United Kingdom, respectively, and from all other countries in 1908:

Articles.	United States.	Belgium.	France.	Germany.	United Kingdom.	All other countries.
Cotton, manufactures of:						
Cloth.....	\$451,693	\$7,582	\$30,784	\$57,377	\$957,172	\$110,627
Thread.....	5,685	442	876	6,620	137,141	5,766
Drugs and perfumery.....	76,543	863	64,603	28,677	17,428	6,863
Glass and china ware.....	4,046	943	1,235	41,441	1,297	2,904
Free list.....	172,963	6,279	16,292	26,400	132,660	61,399
Iron and steel, manufactures of:						
Hardware.....	66,223	6,621	5,917	69,092	73,408	1,619
Machinery.....	30,850	1,440	598	2,591	4,245	756
Leather and findings.....	86,453	183	10,460	42,300	13,042	6,188
Oil, petroleum.....	17,681			965		
Provisions.....	28,387	208	10,243	9,198	8,248	61,084
Soap stock.....	6,116	56,524	9,926	1,976	1,067	17,485
Spirits, wines, and malt liquors.....	33,179	114	48,933	18,863	5,753	37,687
Woolen goods.....	3,082	1,285	9,685	6,091	39,449	6,088
All other articles.....	305,551	14,488	60,196	131,274	149,047	235,401
Total.....	1,287,452	96,972	269,758	442,865	1,539,047	604,466

In a comparison of the imports of Salvador for 1907 and 1908, the most striking feature is the relative positions occupied by the United States and the United Kingdom. In 1907 the United States was first, followed by the United Kingdom; in 1908 these positions were reversed. The United Kingdom's lead in 1908 is explained by the phenomenally heavy imports of cotton fabrics. Owing to this heavy importation, the market, in the opinion of competent observers, is at present overstocked, a condition which will doubtless be reflected in the statistics for 1909.

The United States still retains its control of the imports of flour and petroleum and predominates in those of machinery, drugs, and medical supplies, leather and findings, canned goods, and furniture. The United States also exports considerably more under the free list than any other nation, although, on account of increased British exports under this classification, American free products do not, as in 1907, exceed in value the combined free imports from all other nations.

Among imports of lesser value and importance, France leads in wines and perfumery, the United Kingdom in coffee sacks and woolen goods, Germany in beer and cement, Belgium in soap and candle material, and China in silks. It is noteworthy that Japan nearly doubled the trade which she had with Salvador in 1907.

DECLARED EXPORTS.

The total value of declared exports to the United States from Salvador in 1908 was \$715,301 gold, against \$1,826,138 in 1907. The value, by articles, for 1907 and 1908 was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Balsam.....	\$31,501	\$28,697	All other articles.....	\$562	\$233
Coffee.....	798,488	647,799	Total.....	1,824,479	714,445
Hides.....	9,163	2,043	Returned American goods...	1,659	856
Metal, precious.....	973,304		Grand total.....	1,826,138	715,301
Rubber.....	6,356	2,908			
Skins, deer.....	5,105	3,663			
Sugar.....		29,102			

MINERAL RESOURCES UNDEVELOPED.

The mineral resources of Salvador have remained undeveloped until within comparatively recent years. The richest zones are to be found in the departments of Santa Ana in the north, Chalatenango and Cabanas in central Salvador, and Morozan, San Miguel, and La Union in the south. In the neighborhood of Metapan deposits of iron ore and coal have been found, but owing to lack of transportation facilities they are undeveloped. The construction of a branch railway from Zacapa to Santa Ana would greatly stimulate mining operations in this district. The department of La Union contains the richest gold mines in the Republic. All the mining machinery used is of American make.

Of the \$10,000,000 authorized capital of the four established banks of San Salvador, \$4,500,000 has been paid in. The currency of Salvador consists of silver and notes, gold being at a premium. In consequence, exchange fluctuates, sometimes from day to day; during the past year the limits touched were 140 and 175 per cent. In December the amount of metallic currency in circulation aggregated \$5,294,456, and the notes in circulation, \$3,868,648. Recently the Government authorized two of the banks of San Salvador and two private banking houses to have coined at their own expense \$1,900,000 in silver of the national currency.

NEW RAILWAY PROJECTED.

The Salvador Railway Company, an English corporation, operates a line from Acajutla to San Salvador, with a branch line to Santa Ana, the total mileage of which is 100 miles. There is a second line, owned and operated by local capital, uniting San Salvador with Santa Tecla, 13 miles distant. On June 3 a contract was signed for the construction of a line from San Salvador to a point on the frontier, the intention being to continue the line from that point through the territory of Guatemala and make connection with the Guatemala Northern Railway at Zacapa. The completion of this railway would be of incalculable benefit to the American export business. Not only would San Salvador be brought within seven days of New Orleans (at present shipments require three weeks to reach Salvador, being sent from San Francisco, and a month or more is required for goods to reach here from New York), but consignments would avoid the expense of transshipment at Salina Cruz or Panama and would be relieved of the high landing charges at Acajutla. It is said that the projected railway has the support of several American capitalists, but beyond the preliminary survey no work has been done.

From the center of San Salvador a few tramway lines lead to the suburbs, the cars being lightly constructed and drawn by mules. The Sucio River could supply power for an electric line to Lake Ilopango, admirably adapted for a recreation park and lying but a few miles from the city.

The Government controls both the telephone and telegraph systems, which charge low rates and give excellent service. More money was expended upon roads in 1908 than during any previous year. Owing to the heavy rains of the wet season and the long droughts of the winter, the problem of maintenance is a difficult one, and as none of the highways is macadamized the deterioration is rapid. The government palace, when completed, will be a magnificent building, and earthquake proof. The architects of Salvador have learned by experience the form of structure most suitable for resisting earthquake shocks, which in this country occur with great frequency, and as a result the average earthquake excites no fear.

SALVADOR NOT A MANUFACTURING COUNTRY.

As coal is expensive and water power not available on a large scale, there are few large manufacturing enterprises. The most important articles of native manufacture are bricks and roofing tiles, the latter being produced at so low a cost that corrugated iron and patent roofing materials can not well compete with them. Although a few textiles, straw hats, shoes, earthenware utensils, mats and ropes are manufactured locally, the country depends upon foreign imports for the majority of articles of common utility and for luxuries. In general the laboring population of the Republic is quite sufficient for all reasonable demands for labor. Much of the farm produce is brought to town in baskets carried upon women's heads.

Instructors for the scientific training of military cadets have been brought from France, Germany, and Chile. The university in San Salvador has an excellent medical department, and the majority of young physicians practicing in the Republic are graduates from this

school. There are also a certain number of normal schools in the larger towns, but in the country districts education is not so flourishing. Local newspapers do not have a large circulation, as the reading public is limited. The Rosales Hospital, erected by Señor Don José Rosales and maintained by the Government, is generally considered to be the best equipped in Central America and has accommodations for 800 patients. Not the least admirable feature of this hospital is its bureau of vaccination.

Beyond a few coasting schooners and fishing boats, Salvador possesses no merchant marine. There are, moreover, no coaling stations in the Republic.

WEST INDIES.

CUBA.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL JAMES LINN RODGERS, HABANA.

The business of the year 1908 so far as it concerned the Republic of Cuba could not have been much more discouraging as to volume or character. There was first the effect of the business depression of the world in general, and of Cuba's chief customer, the United States, in particular; then the great shortage in the output of Cuba's principal commodity (sugar), the large surplus of a poor grade of the second source of wealth (tobacco), and a scarcity of agricultural labor caused by restricted emigration from Spain, all of which contributed to the general result.

Owing to these and other causes foreign merchants continued the policy which became marked in the early months of 1908, and restricted both their credits and their purchases, the natural consequence being that the government revenues suffered and business generally languished. This period of doubt and uncertainty terminated and a consistent attempt was made to revive business during the late months of the year. This effort practically failed, however, and while it was known that there had been a shrinkage in the volume of circulating money through the short sugar crop and the poor market for cigars and tobacco, the reason for the continued depression still seemed to many somewhat of a mystery.

EXPLANATION OF CUBA'S REDUCED PURCHASING POWER.

A reasonable explanation appears to be that in the fall of 1904 and during 1905 the greater part of the Speyer loan was paid out for various purposes to the people of Cuba, thus getting quickly into the channels of trade. This addition to the money in circulation created apparently an overestimate as to the permanent purchasing power of the people. Two or three good crops of sugar and tobacco, with favorable prices, served also to heighten this feeling. Things ran on thus until 1906 with its change in the government. Meanwhile the national treasury had been saving its share of this newly acquired wealth, and the thrifty local merchants had hoarded their earnings or had invested them in property or securities. During the stay of the American army of pacification there were considerable extra disbursements of funds derived from abroad. This force from the United States, averaging about 7,000 men, was paid with money from

the United States, the greater part of which was spent in Cuba. Additional funds were also put into circulation through the purchase of quartermaster and commissary stores and through other miscellaneous expenditures. There also occurred at this time a considerable influx of people with means, who began to invest in various ways. During these prosperous years speculation in local securities had sprung up. Finally the provisional administration of the Government began to spend the surplus in the treasury in payment of contracts for public improvements, such as sanitation, etc., but principally for the building of roads and bridges, which were much needed. These liberal expenditures continued through 1907, checked only to a certain degree by the scarcity of labor.

REVENUE FROM ALL SOURCES.

But at the opening of 1908, with the prospect of early evacuation by the American army, and an outlook for a short crop of sugar, it was natural that distrust as to the immediate profitability of further investments should occur. This was undoubtedly accentuated by the conditions existing in the general business world. Cuba imports a large percentage of what is consumed on the island, her capacity for producing for home sale and consumption being not much over \$25,000,000. Her import trade would therefore be affected mainly through a loss in returns from exports, but such a loss did not occur until the sugar crop was marketed.

This explanation is borne out by the table which follows, showing the revenues of the island for 1907 and 1908. The table gives the total revenues of the Cuban Government from every source save that of the special tax levied upon certain industries and luxuries to provide for the payment of interest and for the amortization of the bonds issued under the Speyer loan. Of the amounts given in the table about 87 per cent accrues through the collection from customs.

Month.	1907.	1908.	Month.	1907.	1908.
January.....	\$2,519,928	\$2,448,640	August.....	\$2,454,850	\$1,896,265
February.....	2,179,598	1,982,966	September.....	2,387,110	1,913,106
March.....	2,619,651	2,119,473	October.....	2,465,467	2,136,663
April.....	2,670,829	2,058,206	November.....	2,463,025	2,090,363
May.....	2,187,903	2,060,530	December.....	2,393,306	2,122,759
June.....	2,342,360	2,139,100	Total.....	29,118,927	24,909,236
July.....	2,434,901	1,921,135			

The decrease in these revenues in 1908 was \$4,209,691, or 14.46 per cent. The loan-tax revenues, being dependent upon more certain conditions which represent absolute necessities, were less subject to the influences under discussion, but still showed an unexpected decrease. They are shown in the following table:

Month.	1907.	1908.	Month.	1907.	1908.
January.....	\$391,317	\$334,084	August.....	\$356,898	\$290,653
February.....	299,942	306,582	September.....	305,124	302,875
March.....	390,516	350,577	October.....	314,981	281,062
April.....	357,603	367,892	November.....	318,006	284,393
May.....	282,653	305,321	December.....	306,893	326,329
June.....	306,280	284,987	Total.....	3,924,218	3,638,424
July.....	305,033	283,669			

The decrease in revenues from this source in 1908 was \$285,794, or 7.3 per cent, while the total loss of revenues for 1908 from 1907, including customs, special taxes, etc., and loan tax, was \$4,495,485.

READJUSTMENT OF TAXATION LAWS DESIRED BY MANY.

In the light of conditions in 1908, and considering the various elements that contributed to them, many well-informed men of Cuba believe that the vital necessities for the future are increased revenues, a readjustment of the taxation laws which will permit cheaper living, and a lowering of the cost of labor.

It is believed that there is now a realization of the virtue of more direct taxation and of lessening the cost of living by a lower tariff, especially upon foodstuffs and articles of personal, household, and domestic use, but whether the other essentials can be obtained is a greater question. This is especially true as to labor, which, under the high pressure of the recent past, has established standards of work difficult to reduce, which are being sustained by the lack of Spanish immigrants and the habits of the latter.

Only the future can prove the conclusions reached as to the purchasing power of the people of Cuba, but it would seem that they are correct, for with the foreign trade in normal years so evenly balanced, and with so little domestic power of creating wealth, it would seem that foreign capital must flow in if the results of the recent past are to be equalled or approached. But as Cuba can not attract foreign capital so long as her chief industries are suffering from conditions at home and abroad, and as there do not seem to be many new opportunities of magnitude for the investment of foreign capital, the inducements for such investment appear to be limited to the field of money loaning on mortgage security, in which high interest rates constitute the inviting element. The prospect from the Cuban standpoint therefore seems unsatisfactory.

But, as has been stated, it remains to be seen whether Cuba's alleged recuperative power can remedy the conditions existing in 1908. There are some who so believe, but if the recent collections of revenue and the experiences of 1908, after due allowance for the effect of the world-wide business depression and her own poor crops is made, are valuable as indications, then it would seem that the recuperation can come only through new sources of income and through greatly increased values of her two great staples—sugar and tobacco.

FOREIGN TRADE OF THE ISLAND.

The statistics in the tables following are from official sources; but as there are many tabulations yet to be made and perhaps some changes in totals, the Cuban bureau of statistics announces them as only approximately correct, and they are submitted with that understanding. The grouping of countries is according to the Cuban method. "Other American countries," meaning Mexico, Central and South American republics; "Europe," all countries exclusive of those named, and "All other countries," all the rest of the world. All values are expressed in United States currency. The statistics of

imports into and exports from Cuba, exclusive of money, by countries, during each of the calendar years 1906, 1907, and 1908 follow:

Country.	Imports.			Exports.		
	1906.	1907.	1908.	1906.	1907.	1908.
United States.....	\$47,602,345	\$51,309,288	\$41,578,980	\$86,175,451	\$90,774,645	\$78,868,490
Other American countries.....	10,985,927	9,277,606	7,256,708	2,467,074	2,495,284	2,257,077
Germany.....	6,403,793	7,562,326	7,172,358	3,671,198	3,218,794	4,711,164
Spain.....	9,017,099	9,478,615	7,454,933	676,623	484,876	958,207
Great Britain.....	14,081,023	15,322,981	11,724,029	5,899,734	4,508,458	4,775,966
France.....	5,572,799	6,044,705	5,029,492	1,513,129	1,361,974	1,401,997
Europe.....	3,376,016	3,604,062	3,548,662	768,665	739,015	978,084
All other countries.....	979,597	1,831,363	1,455,229	742,672	487,991	652,339
Total.....	98,018,599	104,460,935	85,218,391	103,914,536	104,069,037	94,603,324

BALANCE OF TRADE FAVORS CUBA.

Despite the poor showing of the 1908 trade in comparison with that of the preceding two years, it would seem on the face of the figures that Cuba did proportionately much better for herself, since the balance of trade was \$9,384,933 in her favor, while in 1906 it was \$5,895,937, and in 1907 it was \$391,898 against her. Apparently the only conclusions that can be drawn from the 1908 imports, aside from those indicated by the well-known policy of prudence on the part of the merchants, are that through a declining purchasing power the people did not have the money to spend, or else they had begun to produce things at home which previously had been bought abroad. There are no means at present of confirming the latter theory, but it is satisfactory from the Cuban point of view and is sustained by some evidences.

The following table shows the respective shares of the countries and divisions specified in the Cuban import trade during the years given. It is believed that these percentages will insure a more ready comprehension of the Cuban market as it relates to the world than could be obtained by a study of the values.

Country.	1906.	1907.	1908.	Country.	1906.	1907.	1908.
United States.....	48.5	49.0	48.8	France.....	5.6	5.8	5.9
Other American countries.....	11.2	8.8	8.5	Europe.....	3.4	3.6	4.3
Germany.....	6.7	9.0	8.0	All other countries.....	1.1	2.0	2.0
Spain.....	9.2	7.2	8.8				
Great Britain.....	14.3	14.6	13.7	Total.....	100.0	100.0	100.0

There is little necessity for elaborating upon the figures given relating to 1908 exports. It will suffice to state broadly that the United States took nearly all the crude sugar and about half of the tobacco. Finally, to show that the conditions as to Cuba's export trade have not changed more than those relating to the import, it can be stated that in 1906 the United States took 84.6 per cent, in 1907, 87.2 per cent, and in 1908, 83.3 per cent, or an average for the three years of about 85 per cent.

The increases in the exports to Germany, Spain, Great Britain, France, Europe, and other countries in 1908 can not be definitely

explained at this time, but they are supposed to be through leaf tobacco, of which there was a large surplus to be disposed of at a lower price.

IMPORTS FOR FISCAL YEAR 1908.

The classification of the articles of import during the calendar year 1908 will not be made by the treasury authorities for some months, and therefore the figures for the fiscal year 1908, as compared with those for 1907, must be used. This classification is in accordance with the Cuban method, values being expressed in American money and fractions omitted. The table which follows shows the value assigned in Cuba to the imports from the United States and to the totals of imports from all other countries in the two fiscal years named.

Articles.	1907.		1908.	
	United States.	Other countries.	United States.	Other countries.
Alimentary substances:				
Cereals.....	\$5,220,391	\$5,839,879	\$5,514,131	\$6,100,805
Fish.....	86,731	1,231,235	64,976	1,200,200
Fruits.....	261,620	301,562	252,846	396,056
Meats.....	6,648,223	2,815,291	6,425,627	2,335,461
Milk products.....	929,089	1,009,891	976,602	1,194,513
Oils and beverages.....	650,855	2,969,425	278,224	2,983,242
Vegetables, etc.....	1,597,181	2,464,767	1,248,740	2,614,514
Other alimentary substances.....	1,624,935	2,520,082	1,312,327	2,326,287
Animals and animal products:				
Animals.....	924,708	1,601,001	666,847	1,006,661
Hides and skins.....	379,096	136,474	284,994	93,848
Leather goods.....	2,969,749	1,266,561	2,863,967	1,222,231
Chemicals, drugs, etc.:				
Colors, dyes, and varnishes.....	302,130	258,707	281,533	225,084
Chemical products.....	865,068	706,871	886,000	825,247
Drugs.....	268,642	181,319	233,175	219,413
Oils, fats, waxes, etc.....	785,810	1,011,411	841,207	1,027,970
Dry goods and manufactures:				
Cotton and its manufactures.....	1,295,858	6,743,756	1,245,822	9,171,629
Silk and silk goods.....	97,545	818,224	94,278	903,322
Vegetable fibers.....	161,884	3,225,466	82,744	3,149,579
Wool, bristles, hair, etc.....	98,499	1,020,908	105,339	1,145,368
Machinery, instruments, etc.:				
Apparatus, machinery.....	1,757,021	490,136	1,785,599	620,799
Instruments.....	73,176	224,622	104,663	206,864
Machinery.....	4,395,898	1,412,626	3,627,759	1,499,463
Metals and their manufactures:				
Copper, etc.....	590,406	229,080	356,161	308,766
Gold, silver, and platinum.....	116,757	940,189	107,540	865,034
Iron and steel.....	3,285,463	2,198,915	4,017,893	1,925,075
Other.....	117,869	243,278	113,739	218,153
Paper and paper goods:				
Books, etc.....	112,347	264,402	107,794	223,663
Cardboard and paper.....	477,532	644,353	634,700	761,204
Stone, earth, and ceramics:				
Bitumens.....	1,016,782	5,148	1,020,668	6,965
Earth and stone.....	579,672	384,804	734,378	321,198
Glass and crystals.....	309,961	912,381	306,100	1,322,422
Pottery, porcelain, etc.....	108,692	656,948	134,216	717,580
Wood and other vegetable material:				
Wood and its manufactures.....	1,893,928	678,004	1,766,605	697,101
Other vegetable materials.....	124,444	157,289	95,496	139,626
All other dutiable articles.....	1,961,212	1,495,675	2,063,321	1,497,706
Total.....	42,089,174	47,150,710	40,665,911	49,535,049
Articles free of duty.....	6,123,498	1,025,507	5,784,997	1,007,177
Grand total.....	48,212,672	48,176,217	46,450,908	50,542,226

The chief value of the statement above is in the showing of the character of Cuban imports. On this point several significant conclusions may be reached.

UNITED STATES SUPPLIED LESS THAN HALF OF FOODSTUFFS.

Even a hasty study of this classification of imports reveals how dependent Cuba is upon the outside world. In foodstuffs she purchased to the amount of \$16,073,473 from the United States, and \$19,211,078 from the rest of the world, this meaning that American corn, flour, and other cereal products were more than offset by Indian rice and Canadian flour; that her codfish came from Canada and Spain; that while the bulk of her meat came from the United States, Europe more than outsold the United States in cheese, condensed cream, milk, and other like products; that the oil and wines came principally from Europe; that Canada sold more potatoes, Spain more onions, and Mexico more beans than the United States, and that while eggs from the United States very nearly accounted for the miscellaneous item, France, Germany, Spain, South America, and other countries contributed nearly twice as much of other foodstuffs.

In animals and animal wastes the United States naturally had much the best of the trade, selling to the value of \$3,845,708 in comparison with \$2,322,740. In chemicals, drugs, etc., the trade was well balanced, the United States having sold to the value of \$2,241,915 and other countries \$2,297,714. But a different and an oft-repeated story is seen in the matter of textiles, in which the United States participated to the extent of only \$1,528,183, while the rest of the world (principally England through its cotton goods) sold \$14,369,898 worth, the figures showing the field open to American manufacturers in these lines if they would only make an effort to get the business by offering what the trade wants.

MACHINERY AND METALS IMPORTED FROM THE UNITED STATES.

The next two items, machinery, etc., and metals and their manufactures, furnish consolation, for of the first the United States sold \$5,518,021 to other countries' \$2,329,126, and of the second, \$4,595,333 to \$3,317,028, this meaning that England's heavy machinery, Germany's light, Europe's plate, and all other contributions for the metal trades could not overcome the lead of the machinery and metals from the natural purveyor to Cuba.

The United States did not make so good a showing as to paper, having only \$742,494 to the world's \$984,867, nor did it gain anything on the earthenware, having only \$2,195,362 as against \$2,368,165. In wood and vegetable material, however, and in the miscellaneous list there is a good balance—the difference between \$3,925,422 and \$2,334,433. And finally, \$5,784,997 worth of American products entered free of duty, to \$1,007,177 from the rest of the world, this meaning that American coal, fertilizers, and other articles for the encouragement of industry found a natural market in Cuba.

All this, however, does not constitute a very creditable showing when it is considered that the American products had the advantage of a reciprocity provision in the schedule of duties. It would seem that this 20 per cent (and for some articles more) should have had more effect, but in explaining this it must be remembered that in buying Cuba is influenced much by sentiment, her merchants being principally Spanish, and that the freight rates offered from Europe, when combined with a low selling price for commodities, soon offset

all the extra advantage of a reciprocity provision. There is still another great and potent reason in the fact that Europeans, especially German manufacturers and purveyors, know the Cuban market and know how to sell the goods it requires. The representatives of these European business houses come to Cuba and stay until they get acquainted. They use few catalogues and do not attempt to alter the Cuban taste to suit their own convenience or experience. They are not impatient with the whims of their customers, and comply as far as possible with the desires of the latter, especially in the matter of credits. They make shipments as nearly in accordance with promise as possible, and pack the goods in the way the customer desires. In nearly all of these things the European method and policy differ from the average American plan. There are some Americans who understand the necessities and observe them well, but there are many who do not and will not learn, and who much prefer to sell their goods at home rather than in Cuba, other things being equal and no rainy day being in sight.

EXPORTS TO THE UNITED STATES.

In the table following is given a statement of the declared value of Cuban exports to the United States during the calendar years 1907 and 1908. All values are expressed in American money.

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals.....		\$8,395	Manganese.....	\$236,747	\$13,489
Asphalt.....		16,360	Metal scrap.....	274,518	181,730
Bananas.....	\$571,775	561,152	Molasses.....	1,118,105	897,289
Cigars, etc.....	4,178,194	3,723,704	Sponges.....	139,263	88,052
Cacao.....	205,948	86,059	Sugar.....	61,384,454	47,933,450
Cocoanuts.....	238,620	185,727	Tobacco leaf, etc.....	12,500,680	16,066,801
Cocanut oil.....	3,819	3,927	Wax.....	78,401	70,850
Copper ore.....	624,103	469,450	All other articles.....	162,913	121,561
Fruits and vegetables.....	776,677	1,318,087	Total.....	86,640,860	74,439,964
Hides, bones, etc.....	297,498	376,133	Returned American goods.....	257,433	390,409
Honey.....	56,000	56,797	Grand total.....	86,898,293	74,830,373
Iron ore.....	2,569,924	1,726,698			
Lumber and wood.....	1,223,221	534,253			

The declared value of exports to the United States, exclusive of returned American goods, by consular districts, in 1907 and 1908 was as follows:

District.	1907.	1908.
Habana.....	\$47,256,229	\$40,220,703
Cienfuegos.....	23,650,545	19,770,198
Santiago.....	15,734,086	14,449,063
Total.....	86,640,860	74,439,964

In 1908 sugar accounted for 64.4 per cent of the exports of Cuban products to the United States, tobacco represented 21.6 per cent, and cigars, etc., 5 per cent, the three making up 91 per cent of the total. The classification of the exports to other countries has not been made, but it is known that tobacco and tobacco products were sufficient in volume to maintain the usual amount of the great staple in the year's trade, leaving the loss to be ascribed to sugar.

DECLARED EXPORTS FROM HABANA.

The following table gives the declared exports to the United States from the consular district of Habana, which includes the agencies at Matanzas and Cardenas, almost exclusively sugar-shipping ports, in 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals.....		\$8,395	Sponges.....	\$130,263	\$88,052
Asphalt.....		16,360	Sugar.....	28,130,712	18,077,332
Cigars, cigarettes, etc.....	\$4,178,083	3,723,544	Tobacco leaf, etc.....	12,272,102	15,600,317
Cocoanuts.....	23,726	2,687	Wax.....	15,618	46,411
Fruits and vegetables.....	748,325	1,286,336	Sundries.....	289,590	93,043
Hides, bones, and hair.....		231,098			
Honey.....	27,944	45,943	Total.....	47,256,229	40,220,703
Lumber and wood.....	129,976	49,639	Returned American goods.....	204,302	351,848
Metal scrap.....	249,903	177,686			
Molasses.....	1,050,987	773,960	Grand total.....	47,460,531	40,572,551

LOSS AND GAIN IN AMERICAN EXPORTS.

As will be seen by the consolidated statement of values of declared exports to the United States, the sales of Cuban products to the principal buying nation fell off \$12,100,896 in 1908, as compared with 1907. The enormous decline in sugar production, amounting to nearly 450,000 tons, accounted, despite the better prices obtained, for a difference of \$13,451,004 in value between the exports to the United States in 1907 and those in 1908. It may be said that this is an unfair comparison, because in 1907 Cuba produced her greatest sugar crop. But when it is stated that the average value of the exports of sugar to the United States in the years 1905, 1906, and 1907 was \$60,508,583, while the exports in 1908 amounted to only \$47,933,450, the decline in 1908 can be appreciated.

The sugar production of the year illustrated well the probable results in the future, namely, that the new and modern mills in the fresher lands of the eastern half of the island will provide an output, in a favorable sugar year, proportionately much greater than that in the western half which was once the favorite field. In 1905 the consular district of Habana accounted for 48 per cent of the sugar shipments to the United States. In 1906 its share fell to 47 per cent and in 1907 to 45 per cent. In 1908 the percentage was 37.5. The Cienfuegos district maintained its normal percentage, which is about 40, but the Santiago district, the sugar field of the future, rose from 18 per cent in 1907 to 22.5 per cent in 1908.

Owing principally to the business depression in the United States, the exports of cigars, copper ore, iron ore, lumber, and woods, manganese, metal scrap, and various other items also showed great losses. The exports of tobacco in bales increased 3,566,121, but they included some of the surplus stock of 1907, and the increase is not therefore indicative of an expansion of the industry. The only item which shows a true expansion is that of fruits and vegetables, and this was brought about by the great increase in the exports of pineapples, that fruit accounting for nearly the whole amount, as vegetable growing practically was a failure and but a comparatively small amount of citrus fruit was exported. The item of returned American goods was made up largely of engineering equipment and of articles not brought into Cuba for sale.

NEW INDUSTRIES AND IMPROVEMENTS.

The development of iron-ore mining, a coming great industry, should be included among the salient features of 1908. The iron-ore shipments from the port of Mayari on Nipe Bay and from Daiquiri, in the south of Oriente Province, will soon swell the export values of Cuba greatly, as iron ore is certain in the near future to surpass in export value all other Cuban products except sugar and tobacco.

The great plant at Mayari, which will have cost about \$5,000,000 when finished, will be practically in full operation this year, and, if its product is needed in the United States, it will add a great deal to the amount of exports.

The year 1908 in Cuba was not marked by many public improvements, and in view of conditions in business and otherwise this was to have been expected. The completion of many public roads was announced, and work was begun on others, but was checked in the autumn when the public funds began to run low. A large legacy of contracts was left to the Cuban Government, and perhaps it is not estimating it too high to state that nearly \$20,000,000 will be needed to carry them out, to say nothing about the expense which the new army will necessitate. With a realization of these conditions current during 1908, there could not be many new projects.

FOREIGN INTERESTS.

The American and foreign interests generally had a year far from satisfactory, for the effect of a short sugar crop was keenly felt at the mills and by the railroads. The drought of 1907 also worked havoc with other agricultural products, except pineapples, and an era of discouragement set in which continues in the present year. It is now seen that the citrus-fruit industry, which has attracted such a large amount of American capital, has no attractive future unless a large and constantly expanding local market is secured, for with the present United States tariff and shipping expenses against them the growers can not make money by exporting to the United States except at certain periods, and then in only limited amounts on grape fruit. The vegetable industry also has languished, and, like citrus fruit, it must acquire a steady local market to achieve any measure of success.

In the two great staples of Cuba, sugar and tobacco, there is but little to say in the way of encouragement. New sugar estates have been created, but with the American tariff unchanged and with the cost of labor continuing comparatively high, it is difficult to see much of promise to the sugar producer. But in view of the fact that this is a formative period in Cuba and that in the United States legislation of the most vital importance to Cuba is under consideration, it is perhaps just as well to abandon conjectures as to either the present or the future. What applies to sugar is also true of the tobacco industry, although the 1908 experience of the latter is certainly more attributable to the abnormal conditions abroad than to foreign tariff rates.

IMMIGRATION.

A subject which is causing no small degree of worry in agricultural circles in Cuba is that of immigration. For many years there has been a large annual immigration from Spain, and upon that labor many of the sugar and tobacco planters have placed great dependence. Within recent years, however, Spain has instituted strong restrictive measures, and since the year 1906 there has been a constant and great decrease. Prior to 1906 over 40,000 laborers came annually from Spain; in 1906 this number was reduced nearly one-third; in 1907 it further declined to 50 per cent of the immigration in 1906, and in 1908 it had fallen to about 40 per cent. To be exact, there were 24,406 immigrants in 1907, of whom 22,237 were Spanish, 504 North American, and 1,655 of all other nations. In 1908 there were 18,448 from Spain, 847 from North America, and 1,635 from all other parts of the world.

It is alleged that there is plenty of native labor in Cuba and in the other islands of the West Indies which could be secured and which would be used at prices commensurate with their diligence were it not for the advent of the transient Spaniard who, because of his industry and thrift, has seemed so desirable in the past. The theory is now advanced that the planter can better afford to train the indifferent laborer than to pay high wages to a transient. If the Spaniard would only stay in Cuba, there would be no question about the matter, since his work is unquestionably better, and the increase in population would soon cause an adjustment of the wage scale.

This may appear a decidedly pessimistic record, and so in fact it is as it relates to 1908. But after all is said, it must be remembered that Cuba is undoubtedly a highly fertile and practically undeveloped country; that with natural trade alliances there could be great expansion of her wealth, and that under the educational processes which have been inaugurated there must come a better appreciation of her true interests and intents. A great economic programme confronts her people, and its accomplishment is of the greatest importance to them.

FACTS ABOUT CUBA.

By DEPUTY CONSUL-GENERAL HENRY P. STARRETT, HABANA.

So many inquiries have been received from Americans asking for general information regarding Cuba, that it has been deemed advisable to give a short and concise report covering the questions usually asked. The endeavor has been to make this a simple statement of facts relative to existing conditions in Cuba.

Cuba lies between the twentieth and twenty-third degrees of north latitude, and from the seventy-fourth to the eighty-fifth degree of west longitude; about 100 miles south of Florida, 130 miles northeast of Yucatan, Mexico, and 50 miles west of Haiti. It is 730 miles in length and its breadth ranges from 22 miles in Habana Province to 160 miles in Oriente Province. It has an area of 44,164 square miles, including the Isle of Pines.

TOPOGRAPHY—CLIMATE AND SOILS.

The land along the entire north coast is hilly for the most part, breaking into mountainous ranges in the provinces of Pinar del Rio

and Oriente. A chain of small islands extends along the north coast from the province of Matanzas to the province of Oriente. These islands are low, mostly covered with mangrove trees, and practically uninhabited.

The south coast, from Cape San Antonio, at the extreme western end of the island, to Cape Cruz, in the Province of Oriente, is low and marshy, but from Cape Cruz to Cape Maisi, at the extreme eastern end of the island, the coast is abrupt and mountainous. The interior is generally a high plateau, broken here and there by mountain ranges, this being especially true of the provinces of Pinar del Rio, Matanzas, Santa Clara, and Oriente. The best deep-water harbors are Bahía Honda, Cabanas, Habana, Matanzas, Cardenas, Nuevitas, Gibara, Banos, Nipe Bay, and Baracoa on the north coast, and Guantanamo Bay, Santiago de Cuba, Manzanillo, Juraco, Cienfuegos, and Batabano on the south coast.

There are no large rivers in the island with the exception of the Rio Cauto, which flows through the western part of the Province of Oriente, and is navigable for 50 miles from its mouth. There are many small streams, or "arroyos," however, which become typical mountain torrents during the wet season. With these few exceptions, Cuba may be said to be without river navigation.

The climate may be briefly described as being semitropical, with slight extremes of temperature, rather high humidity, and an ample rainfall. The mean annual temperature at Habana is about 77° F., the average range of temperature being from 71° to 82° F., or a difference of about 11°. This is true of the entire north coast of the island. The temperature in the interior and along the south coast is slightly higher, as is also the humidity.

Cuba has a rainy and a dry season, the former extending from May to October, and the latter from November to April. The wet season, however, is not severe, as the rain generally comes in the form of frequent showers during the afternoon, the rest of the day being clear. The mean annual rainfall at Habana is about 52 inches, and slightly more along the low-lying south coast. The northeast trade winds prevail throughout the island, and do much toward maintaining agreeable temperature, especially during the summer months.

There are four different kinds of soil in Cuba—red, black, mulatto (a mixture of the two), and a white clayey soil. The red, black, and mulatto soils are considered the best for all kinds of planting, while sandy loams are preferred for tobacco and citrus fruit culture.

POPULATION, GOVERNMENT, AND SANITATION.

Cuba has a total population, according to the census of 1907, of 2,048,930, of which 70.3 per cent is classified as white, and 29.7 per cent as colored. The colored population forms less than one-third of the total, and although the numbers have augmented somewhat it has been for many years gradually decreasing in proportion to the white population.

Cuba has a republican form of government, in many respects similar to that of the United States. The laws are partially modern and partially derived from the Spanish régime, and are administered by a judicial system which is efficacious and reasonably prompt in its decisions.

There is at present no standing army or navy, but by a recent executive decree a permanent army consisting of two regiments of infantry, two battalions of field artillery, ten companies of coast artillery, and four companies to form a machine-gun corps, has been authorized and will soon be put into commission. Besides these proposed armed forces there are three regiments of mounted rural guards, whose duty it is to maintain order in the country districts, and a sufficient number of policemen in each city and town to protect life and property. Under the treasury department there is a small fleet of steam revenue cutters, having duties similar to those of the United States.

The sanitary department is under the direction and control of the Government. The results of the last few years demonstrate its ability to guard and care for the public health. From a sanitary standpoint, the work has created a new Cuba, as yellow fever, the former scourge of the island, has been controlled, and malarial fevers are not more prevalent here than in the Southern States. The mortality rate is about 14 per 1,000.

THE PROVINCES AND THEIR CHARACTERISTICS.

The Republic is divided into six provinces, the areas of which, from west to east, are as follows, in square miles: Pinar del Rio, 5,206; Habana, 3,170; Matanzas, 3,256; Santa Clara, 8,257; Camaguey, 10,064; Oriente, 14,211; total, 44,164.

Pinar del Rio.—The lowlands of this, the westernmost province of the island, are given up chiefly to the raising of cattle and swine, the plateaus and valleys to the growing of tobacco and citrus fruits, and the mountain regions to the growing of coffee and the making of charcoal. The famous tobacco district, Vuelta Abajo, is located in the southwestern part of this province. The tobacco of this district is considered much finer than that grown in any other part of Cuba. The province has only one railroad, and this traverses the south central part as far west as the town of Guane. There are many excellent macadam roads in the more important farming districts, and many more are projected.

Province of Habana.—The principal products of the province of Habana are tobacco, sugar cane, citrus fruits, and vegetables. Railroads traverse nearly all parts of the province, and there is a fine system of macadam roads. One section, of which the town of Guines is the center, is under irrigation, more or less modern, and it is probably the most productive agricultural district in the island. Habana, the capital of the province, and of the Republic, is the island's center of commerce and industry, the terminus of three railroads, and the port of call for several lines of steamers running to Mexico, Gulf and Atlantic ports, and Europe. It is also the headquarters of the great cigar and cigarette industry, which employs thousands of skilled tobacco workers.

The Isle of Pines, a municipal district of the province of Habana, is situated about 60 miles off the south coast of the province. It has been settled largely by American colonists, who have planted extensive areas in citrus fruits. The climate is excellent and compares favorably with that of any other part of Cuba. The land varies in quality, but is generally fertile and productive in the northern half

of the island, which is well settled, while the southern half is swampy and low along the south coast and its arable lands are as yet very much undeveloped. A company operates a steamer from the island to the town of Batabano, the south-coast seaport of the province of Habana, where connection is made with the railroad running to the city of Habana.

Province of Matanzas.—The topography of the northern part of the province of Matanzas is generally hilly and mountainous, with many beautiful valleys and small streams, gradually terminating in lowlands and marshes in the south. The principal product is sugar cane. The transportation facilities of the province are excellent and there are many good highways. Matanzas and Cardenas are the chief seaports. They have deep-water harbors, and several lines of steamers ply between these ports and points in the United States and Europe.

Santa Clara Province.—The land is hilly and mountainous in places, with high plateaus in the central part, and generally low and marshy along the south coast. Sugar cane and a medium grade of tobacco are the chief agricultural products, but stock raising forms an important industry. There are many old and new coffee plantations in the valleys, the latter just coming into bearing. Transportation facilities are furnished by three railroads which connect the more important agricultural districts with the two seaports, Cienfuegos on the south coast and Caibarien on the north coast.

Province of Camaguey.—A high plateau forms nearly the whole central portion of the province of Camaguey, becoming generally lowland on the north coast and marshy along the south coast. With the exception of a few scattered hill ranges in the eastern part, the country is generally flat and resembles somewhat the prairie lands of the middle American States. It is good grazing country, and consequently stock raising is one of the most important industries of the province. Sugar cane is the principal agricultural product. The railroad from Habana to Santiago de Cuba, in the province of Oriente, traverses the entire length of the province of Camaguey, and there are several short lines which connect this main line with the north and south coast ports and with the sugar plantations. The principal shipping port is Nuevitas, on the north coast.

Province of Oriente.—This, the easternmost and largest province of the island, is rugged and mountainous in character, with deep valleys and many small streams. A high mountain range extends along the entire south coast from Cape Cruz to Cape Maisi, the coast line being rocky and abrupt and with few good harbors. The interior of the province is mountainous and little developed. Railroad transportation can not be said to be adequate, considering the size and importance of the province, nor are there many good roads, especially in the interior. It is rich in natural resources, and the soil is very fertile and productive in the valleys and along the rivers. The mining of iron and copper ores forms one of the principal industries. Most of the mines are located in the mountains near the city of Santiago de Cuba, and along the north coast from Baracoa to Nipe Bay. The chief agricultural products are sugar cane, coffee, cacao, and fruits, and a low grade of tobacco which is grown in the northern part of the province.

LAND TITLES, VALUES, TAXES, AND TRANSFERS.

Titles in Cuba are in many instances somewhat clouded, and the very best advice that can be given to those contemplating investment in Cuban property is to personally investigate the land offered, the transportation facilities, and the general conditions, after which a competent attorney should be employed to examine the title thoroughly.

Land is valued here, as in other parts of the world, according to its fertility, its transportation facilities, and its nearness to a shipping port. Prices range from \$10 to \$100, and even more, per acre, but good, fertile land located near a railroad can generally be purchased at from \$30 to \$50 per acre. For information relative to lands along railway lines, address the publicity departments of the following: Western Railways of Havana, Habana; United Railways of Havana, Habana; Cuba Railroad Company, Camaguey; Cuban Central Railways, Sagua la Grande; Cuba Eastern Railroad Company, Guantánamo; Havana Central Railroad Company, Habana.

Unimproved rural property pays no tax. Improved property pays a tax, based on its income valuation, which is made once every five years. This tax is moderate and probably does not exceed that paid in similar districts in the United States.

To transfer title, the matter, after being investigated by competent attorneys and presented according to law, is taken before a notary public and a deed properly drawn up and recorded. A certified copy of this deed is then presented to the treasury for payment of the transfer tax, which is one per cent of the amount of the sale, after which it is taken to the registrar of deeds for record. The notary's fee for acknowledging the deed is \$8 per \$1,000, and that for recording the deed varies with the value of the transfer, the fee being small.

INDUCEMENTS TO COLONISTS.

The price of labor in the rural districts varies with the locality, but is usually \$1 to \$1.50 Spanish silver per day (\$1 Spanish silver equals about 87 American cents). The native Cuban labor is not considered as good as that from the Spanish provinces, but in most cases the Spanish laborer must be paid slightly higher wages for his work.

The Government offers no inducements to colonists in the way of free lands or concessions of any kind. It allows, however, the free entry through the custom-house of the colonist's household goods, provided the same have been in use for one year or more, personal effects, including clothes, bed and table linen, toilet articles, and portable tools and instruments, agricultural tools (not agricultural machinery), and bee-keepers' supplies and equipment. Domestic animals belonging to the colonist, however, are not admitted free of duty unless registered and designed for breeding purposes.

To facilitate the entry of all goods through the custom-house and to avoid trouble and expense, it is always advisable to secure the services of a good custom-house broker.

As Cuba is essentially an agricultural country, the Government has established and fully equipped an agricultural experiment station

at Santiago de las Vegas, a town in the center of the farming district of Habana Province, for the study and development of the principal agricultural products, and for the study of animal diseases. The station is in the charge of a thoroughly competent American agriculturist, who is assisted in his work by a corps of expert assistants. The director is always ready to give information relative to the work of the station and general facts regarding the principal Cuban products. He may be addressed as The Director, Estacion Central Agronomica, Santiago de las Vegas, Cuba..

ADVICE AND ADMONITION.

Success in agricultural endeavor in Cuba seems to be dependent mainly upon the market afforded by local conditions and by the United States. It is assumed that the prospective colonist has a knowledge of agriculture, for such is as necessary in Cuba as at home, and absence of it will result in failure here as certainly as it will in other parts of the world. If a local market can be secured and retained then it would seem that an average American farmer should succeed; if, however, the produce is shipped north under existing expenses the issue becomes very doubtful. This applies particularly to citrus fruits, for the tariff and expense are heavier.

If, under these conditions, it is desired to establish a vegetable farm or a small citrus-fruit grove in Cuba, the mistake of too little capital should not be made. It has been estimated by persons conversant with the conditions that at least \$5,000 is absolutely necessary to cover the cost of 20 acres of good land, a small house, complete farming equipment, including a pair of mules, carts, tools, and the necessary living expenses, until the farm or grove is self-supporting or the success or failure of the venture has been established.

GENERAL INFORMATION.

No passport is necessary for an American entering Cuba. Consular officers are not permitted by law to report upon the financial standing of corporations, firms, or individuals in the country in which they are located. Such inquiries should be addressed to one of the American commercial agencies having offices in Habana.

The Bureau of American Republics at Washington, D. C., has published a book entitled "Cuba," by Mr. Gonzalo de Quesada, minister of Cuba to the United States, which gives a great deal of useful information relative to Cuban conditions.

Steamship lines entering Habana from the United States are: Ward Line from New York, biweekly; P. & O. S. S. Co. from Tampa, Knights Key, and Key West, Fla., triweekly, except during the winter or tourist season, when the service is increased to a daily one; Morgan Steamship Company from New Orleans, every ten days during the summer and every five days during the winter; Munson Steamship Company from Mobile every seven days; and the United Steamship Company from Galveston, Tex., every ten days.

CIENFUEGOS.

By CONSUL MAX J. BAEHR.

In importance Cienfuegos is second only to Habana in regard to commerce, and owing to its splendid landlocked harbor, with a coast line of 15 marine leagues (marine league=18,240 feet), it may assume an importance not exceeded by any other harbor in the West Indies in future years, when the Isthmian Canal has become a reality, by reason of its proximity to the great international waterway. According to the census of 1908 the municipality of Cienfuegos had 70,416 inhabitants and the city proper 30,100.

The present indications are that this year's sugar crop will exceed the original estimate of 1,250,000 tons, and come nearer the 1,400,000 mark. The output of the 27 centrals, whose products are shipped through this port, will approximate 1,650,000 bags of 325 pounds each for 1909, as against 1,174,000 bags in 1908 and 1,731,010 bags in 1907.

Tobacco, the other Cuban staple, produced a record crop in quantity and quality. The prices were good, so that nearly all Cuba has cause to be happy, for comparatively few country people are engaged in other pursuits than the cultivation of sugar and tobacco, although the raising of diversified crops would make them less dependent on the fluctuations of outside markets and the trusts which control this market. Almost all leaf tobacco is cut, and the quality promises to be far superior to the leaf of previous years. No sales have been made, but it is the opinion that prices will be somewhat lower owing to the large crop and to the fact that there is some of last year's crop on the market still unsold. It is not easy to estimate the amount of 1908 tobacco unsold, but it is known that there are large quantities here and in Habana which is offered at comparatively low prices in order to make room for the new crop. There are likewise some lots of the 1907 crop unsold, and because of its inferior quality it can not be disposed of even at ruinous prices.

CATTLE MARKET—COFFEE—SISAL HEMP—FRUIT.

Owing to the cessation in imports and the constant consumption for a period of over one year, and also to the good results obtained from the present sugar crop, there should soon be some activity in the cattle business, but the dullness of the market now compares with the worst period of the late crisis. There are no transactions other than the supplying of the Habana market with a moderate supply, and even that trade is at ruinous prices for the cattle owner. The Habana cattle dealers are held responsible for this condition, owing, it is claimed, to a secret combine.

An agricultural product that yields good returns to those who can bide their time is coffee. It is of excellent quality and, in spite of the depressed conditions governing the coffee market of the world for many years, brings a good price here to the producer for the reason that the demand exceeds the supply, while a protective duty prevents underselling with the imported article.

The cultivation of sisal hemp in the vicinity of Nuevitas and the raising of fruit at Ceballos are successfully carried on in this district.

Sisal hemp culture can be successfully pursued on poor, stony soil unfit for the raising of any of the other prevailing crops of the island, and it keeps money in the country which hitherto has gone to Yucatan.

The many small attempts at fruit raising for market purposes, though the product may be excellent, have generally failed for the reason that sufficient quantities to justify the calling of steamers could not be assembled.

The circulating medium in this district has not been changed since 1898. United States currency is used for official purposes, Spanish gold for commercial transactions, and Spanish silver for retail business. While theoretical objection may be made to this prevailing triple standard, there are economic considerations in favor of its continuance. A change to United States currency exclusively would result in labor demanding United States money for what they now receive in Spanish silver, and that in all small retail purchases this currency would be exacted where Spanish silver is now tendered and received, or, in other words, labor and small necessities of life would rise from 15 to 20 per cent in price.

ACTIVITY IN IMPROVEMENTS.

In the city of Cienfuegos great activity in improvements is noticeable on all sides and wherever one goes new buildings of substantial character can be seen in course of construction, replacing the cheaper houses of ancient aspect. The city hospital has been renovated at a cost of \$60,000. The Spanish Club (Colonia Española) has erected a hospital, composed of pavilions with beautiful elevations, fine appointments, and accommodations for 250 patients, at an expense of \$250,000; its annual maintenance costs \$75,000 and the club has 6,000 members. The National Bank of Cuba is soon to move into its new building, a beautiful structure of colonial style, which cost \$32,000 in addition to the site, for which \$21,000 was paid. The Methodists have erected a church of cement block, costing \$12,000, including the \$3,000 site. The Catholics have built a bishop's palace at a cost of nearly \$40,000, a parsonage for the cathedral priests costing \$12,500, a college and chapel of gothic style for the Dominican friars, on which \$35,000 has been expended so far, but the total cost of which is estimated at \$60,000. The custom-house has been fully overhauled and makes a fine appearance. All of these improvements and new buildings have added greatly to the general aspect of the city.

The improvements for city parks have cost \$50,000, and the construction of the malecon, a boulevard and driveway through the central part of the city and along the water front of the bay to the beautiful Punta Gorda Peninsula, is being carried on with great energy. The city uses the surplus dirt from the excavations for the sewerage system to fill in that part of the road which crosses marshy ground and deep water, while private parties are constructing the retaining wall at their own expense. The dredging of the harbor will soon be completed, so that all vessels may come to the piers and avoid lighterage charges. A new government dock and shed is under construction, the estimated cost being \$100,000. The contract for the waterworks and sewerage systems, to cost over \$3,000,000, is being pushed with all possible speed, and present indications point to early completion, so that within a year Cienfuegos will have an ample supply of the finest water in the island.

ELECTRIC POWER FOR RAILWAYS.

There are also two projects for electric tramways and electric lighting. One is for a suburban road from this city to the valley of Manicaragua, touching the most populated towns between these points. The concession was granted to the contractor for the city waterworks, who proposes to harness the falls of the Hanabanilla River for the purpose of generating electric power for the railway. The work must be finished and in operation within two years. The other project is for a network of city street railways and an electric-light plant to be built by an American citizen. Nothing definite is given out regarding the concession, but the local authorities are said to be favorably inclined, and the work is to be commenced in the near future and completed in less than six months.

The United Railways of Habana have acquired the right of way in this city and a large tract of land near by, whereon a new passenger depot, machine shops, and roundhouses are to be constructed prior to their entering the city in competition with the Cuban Central Railroad, which is now enjoying a monopoly.

BANKING INSTITUTIONS—REAL ESTATE TRANSFERS.

Several prominent Cuban planters and merchants have combined for the purpose of organizing a new banking institution, to be named the Cienfuegos Bank, with a capital of \$1,000,000. The Spanish Bank of Habana has also announced the establishment of a branch here, which is indicative of the prosperous condition of this district and of the confidence which men of means have in the future of this city. Besides the various private banking institutions in connection with the large commercial houses, financially as strong as any corporations on the island, there are branches of the National Bank of Cuba, of the Royal Bank of Canada, and of the Bank of Nova Scotia, all strong institutions which are doing satisfactory business.

Cienfuegos is growing and with electric railways and waterworks hundreds of industries and new enterprises will spring up, which without water and transportation facilities were heretofore impossible. Real estate transfers are increasing daily, and large tracts of land adjacent to the city which have been lying idle for years are being platted and sold for building lots.

IMPORTS BY COUNTRIES.

The imports into the port of Cienfuegos in 1908 were valued at \$5,297,424, against \$8,665,528 in the previous year.

The value of the imports, by countries, in 1907 and 1908, respectively, was as follows:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$4,257,157	\$2,511,562	Nova Scotia.....	\$423,894	\$124,452
Austria-Hungary.....	35,374	14,046	Porto Rico.....	103,199	94,697
Belgium.....	21,148	17,740	Spain.....	1,087,004	485,896
Brazil.....		25,111	Switzerland.....	60,801	18,870
British India.....	324,368	376,400	United Kingdom.....	1,103,142	630,255
Colombia.....	1,319	98,222	Uruguay.....	52,865	171,673
France.....	427,397	111,118	All other countries.....	431,531	49,841
Germany.....	301,663	537,897			
Italy.....	34,666	5,719	Total.....	8,665,528	5,297,424
Norway.....		23,925			

The imports into the port of Caibarien in 1908 were valued at \$1,520,768, of which the United States supplied articles worth \$900,349; British India, \$373,139; Brazil, \$104,405; United Kingdom, \$83,902; and Spain, \$25,035, the remainder being distributed among other countries. The imports into the ports of Nuevitas and Sagua la Grande during the fiscal year 1908, the statistics being the latest available, amounted to \$1,437,073 and \$1,226,013, respectively. Of these sums the United States shipped articles into Nuevitas worth \$585,422 and into Sagua la Grande to the value of \$788,856.

EXPORTS TO THE UNITED STATES.

The total value of the exports declared from this consular district to the United States in 1908 (exclusive of goods returned worth \$9,568) was \$19,770,198, against \$23,650,545 in 1907. The exports, by ports and articles, in 1908 were as follows:

Articles.	Value.	Articles.	Value.
CIENFUEGOS.		NUEVITAS—continued.	
Hides, bones, etc.	\$19,416	Honey	\$3,953
Molasses	106,230	Lumber, woods, etc.	6,283
Sugar	9,271,140	Sugar	1,377,122
Tobacco, leaf	433,981	Wax	6,111
All other articles	220	All other articles	2,438
Total	9,830,987	Total	1,438,855
CAIBARIEN.		SAGUA LA GRANDE.	
Lumber and woods	47,365	Molasses	8,550
Sugar	5,023,319	Sugar	3,377,929
Tobacco	2,952	Tobacco	28,724
Wax	10,522	All other articles	258
All other articles	687	Total	3,415,461
Total	5,084,896	Grand total	19,770,198
NUEVITAS.			
Fruits and vegetables	2,619		
Hides, bones, etc.	40,329		

HOW TO INCREASE AMERICAN SALES—TERMS OF CREDIT.

Cienfuegos is closer to New York, New Orleans, Galveston, and other ports than are many Western States, yet American manufacturers supply less than half of this market. England, Germany, Spain, and France are getting business here which would undoubtedly go to the United States if the exporters and manufacturers understood how to get it and would spend as much effort as they do in getting western trade, and if they were as painstaking as their foreign rivals. Cuban trade with foreign countries will continue to grow larger each year as its population increases, and a greater percentage of it will go to the American manufacturers if they bear in mind that their customers are foreigners and that their wants are different from those of Americans, and then make an intelligent effort to cater to their demands.

Increased attention has in the last few years been given by American houses to the proper packing of goods for this market. Complaints on this score are heard less frequently than formerly, no

doubt a result of the greater pains the American manufacturer takes in sending representatives to this island to study its needs and secure business. Many houses aware of the fact that persons who can speak the Spanish language are essential to success in gaining trade here are employing Latin Americans as travelers, with excellent results, for even the most intelligent American salesmen are seriously handicapped if they have to transact business through interpreters.

While the American trade is somewhat affected by the refusal to give long credits generally conceded the Cuban merchants by European houses, ranging from three to nine months, the fact must not be overlooked that the prompter filling of orders by United States manufacturers does not render a strict following of this example necessary. If United States exporters offer terms of from three to four months it will as a rule suffice to secure them preference over their European competitors.

HOW HOUSEHOLD GOODS ARE ENTERED FREE OF DUTY.

The easiest and best manner of getting household goods through the custom-houses in Cuba free of duty was shown in a publication called Cuba, Capital and Country, and is as follows:

Send all goods in one shipment; a second shipment to the same name will not be admitted free. Crate the goods substantially.

Mark and number every article plainly. Cards tacked on are liable to tear off. Paint numbers and marks on the boxes themselves.

See to it that consular invoices and bills of lading are properly prepared in triplicate. Be sure to have these papers properly made out, as mistakes are very costly.

Prepay all freight charges clear through, if possible. Shipments worth hundreds of dollars have been delayed for months for a few cents due. Know beforehand what steamship company will carry the goods from the United States to Cuba, and on arrival in Habana find its agent, that he may deliver shipping papers to the owner immediately on receipt of goods.

Place the matter of the shipment in the hands of a good broker at once. He will know if there is anything wrong and will take the best and quickest steps to remedy any errors. Do not make the mistake of trying to deal directly with the custom-house. Do not object to consular and brokerage fees, tonnage and cartage charges, for they are legitimate. If shipping papers are in order, no other expenses than these should be incurred.

NAVIGATION STATISTICS.

The total number of steamships and sailing vessels entered at the ports of Cienfuegos, Caibarien, Nuevitas, and Sagua la Grande in 1908 was 612, of 1,439,914 gross tons. Those which entered at Cienfuegos, with the country and gross tonnage of each, are shown in the following table:

Flag.	Steamships.		Sailing vessels.	
	No.	Tons.	No.	Tons.
American	8	14,369	10	7,136
Cuban	30	83,785		
Danish	1	2,458		
English	57	191,011	34	11,248
German	27	108,345		
Norwegian	56	115,644		
Spanish	37	115,916		
Swedish	1	1,945		
Total	217	632,473	44	a 19,506

a Includes Guatemalan vessels of 1,214 tons.

SANTIAGO.

By CONSUL ROSS E. HOLADAY.

The volume of business transacted in this consular district during 1908 was not so great as that of the preceding year. The industrial depression in the United States which followed the financial panic in October, 1907, and the consequent stringency of the money market, caused a retrenchment on the part of the mercantile interests and a postponement of capital improvements on railroads and industrial enterprises.

While not as active as they probably would have been under more favorable economic conditions, there was a continuance of operations on buildings both for business and residential uses. Among the most important improvements of this character, reflecting a generally satisfactory condition of the building trades and indicating the confidence of business interests in general in the future industrial importance of this territory, was the construction in this city of a new custom-house by the Government, at a cost of \$175,000; the building by the Cuba Railroad Company of a new terminal freight depot and warehouse; the erection of a new bank building by the National Bank of Cuba, and the completion of a three-story modern hotel building by private interests. All of these buildings are of reenforced concrete and are of the latest and most improved architectural design.

COMMERCIAL IMPORTANCE OF THE DISTRICT—SUGAR CROP.

The steady advance in the productive and industrial energies of eastern Cuba has been only temporarily suspended. On account of its diversity of products, to the cultivation of which vast areas of fertile virgin land are adapted; the mineral wealth which exists in the mountains; the cedar, mahogany, and other valuable hard woods which abound in the almost limitless forests, and the superiority of the numerous bays on both the north and south coasts as harbors for shipping, it bids fair to rival, if not surpass, at no distant date the western end of the island in commercial and industrial importance.

There was no decrease in the crop values of 1908 in this consular district, although the country suffered severely from a protracted drought which lasted throughout the summer and fall of 1907 and the spring of 1908. This was due in the main to the agricultural development that has been taking place since peace was established in 1898, and to the somewhat better prices obtained for the products of the soil.

The sugar production from the crop of 1907-8 was 219,936 long tons, valued at \$11,000,000. This was nearly 23 per cent of the total output of the island. While this consular district was third in the amount of sugar produced in the island, it showed by far the greatest proportionate gain, due to the new estates and the greater adaptability of the soil of this province for the cultivation of sugar cane. The increase in the average annual yield in this district for the period 1904-5 to 1907-8 over that of the period 1900-1901 to 1903-4 is 81,261 long tons, or more than 63 per cent.

The following table shows the total amount of sugar produced in the island and the amount and percentage of the total produced in the Province of Oriente for the period 1900-1901 to 1907-8:

Year.	Total.	Province of Oriente.	Per cent of total.	Year.	Total.	Province of Oriente.	Per cent of total.
	<i>Tons.</i>	<i>Tons.</i>			<i>Tons.</i>	<i>Tons.</i>	
1900-1901.....	612,775	61,901	10.1	1904-5.....	1,183,347	181,801	15.3
1901-2.....	863,792	137,970	17.5	1905-6.....	1,229,736	178,495	14.5
1902-3.....	1,003,873	136,749	13.6	1906-7.....	1,444,310	256,598	17.7
1903-4.....	1,052,273	175,163	16.6	1907-8.....	961,958	219,936	22.8
Total.....	3,532,713	511,783		Total.....	4,819,351	836,830	
Average.....	883,178	127,946	14.5	Average.....	1,204,838	209,207	17.3

PRODUCTION OF TOBACCO AND COFFEE.

There are no statistics available to show the comparative production of other crops of the district. Sugar is the leading export crop and the development of that industry has been great. The improvement and progress in the development of other crops, however, has also been notable.

Tobacco is cultivated widely in this district, although it is as yet a crop of relatively little importance compared with the production of the western end of the island, notably that of Pinar del Rio and Habana provinces. The yield for 1908 was not so great as in former years, owing to unfavorable weather conditions, but the falling off in yield was compensated for to some extent by the better prices obtained for the crop. The estimated production for 1908 was 69,516 quintals, worth, approximately, \$900,000.

Coffee was formerly extensively grown in this district and was at one time the chief product for export, but the two wars, especially the ten years' war (1868-1878), were great drawbacks to the industry, and with the abolition of slavery its cultivation was almost entirely abandoned. In 1903 the Government placed a duty of \$18 per 220.4 pounds, or 8½ cents per pound, on all coffee imported into the island, which had the effect of stimulating the industry so that the production has quadrupled within the period of five years since that date. The duty was increased to \$23.40 per 220.4 pounds in 1904.

With the protection afforded by this tariff it is hoped to restore the industry and at the same time afford profitable employment for the agricultural classes of small means. It is believed the object will be attained and that within a few years Cuba will produce all the coffee needed for domestic consumption.

Under present conditions, coffee growing is unquestionably a profitable industry for the native family, though it is doubtful whether its cultivation on a large scale would be profitable, for the reason that it requires cheap labor to harvest the crop, and labor is not cheap in Cuba.

Machinery for cleaning and preparing the coffee for market has lately been installed by some of the buyers located in the coffee districts, which has stimulated the industry considerably, as the growers receive the same price for their coffee as formerly, less the actual

cost of cleaning, without having to resort to the slow and tedious process of cleaning it by hand.

The following table shows the production in pounds and value of the coffee produced in this consular district during each of the past five years.

Year.	Pounds.	Value.	Year.	Pounds.	Value.
1904.....	3,305,200	\$494,936	1907.....	18,600,000	\$3,441,000
1905.....	6,853,900	1,233,702	1908 ^a	20,000,000	3,600,000
1906.....	13,160,500	2,368,890			

^a Estimated.

CULTIVATION AND EXPORTATION OF CACAO.

Cacao is quite extensively cultivated in this district, which is considered the best for its growth. No statistics are available to show the number of new plantations brought under cultivation since 1902, when there were in the Province of Oriente 1,033, with 796,050 trees, which yielded annually 31,300 quintals. The steady increase in production, however, indicates that new plantings are being made and are constantly coming into bearing. Considerable of the cacao produced is manufactured into chocolate for domestic use, but the greater part is exported. There was a large decrease in the production in 1908, due to the drought.

The following table shows the amount in pounds and the value in United States currency of the cacao exported from the port of Santiago to each of several different countries in 1907 and 1908, according to custom-house statistics:

Country of destination.	1907.		1908.	
	Pounds.	Value.	Pounds.	Value.
United States.....	698,358	\$115,683	582,179	\$77,057
Austria-Hungary.....	52,608	4,780		
France.....	1,102,118	183,792	715,464	128,725
Germany.....	285,635	45,539	151,536	21,957
Morocco.....			4,368	960
Porto Rico.....	7,869	1,410	3,315	562
Spain.....	128,521	19,160		
Total.....	2,275,109	370,364	1,456,862	229,261

FRUITS AND VEGETABLES—MINING OPERATIONS.

Considerable improvement in the production of fruits and vegetables, both as to quantity and quality, has been noted during the year. The first shipment of citrus fruits to the United States from this consular district was made last year, the value of which was \$11,822. The value of the pineapples shipped to the United States was \$17,247, practically the same as in the preceding year. Quite a number of the colonists from Canada and the United States who have settled in this consular district have planted land to citrus trees, which are now just beginning to come into bearing. While there is some doubt as to

whether this will prove a profitable business in Cuba under present conditions, there will be a large increase in production henceforth, and a market will be sought for the surplus in the United States.

Among the most important of the industrial enterprises of this consular district is mining. Iron predominates, though copper and manganese are also mined to some extent. The output of iron ore for 1908 was the greatest in the history of the industry, though it was necessary for the operating companies to put a considerable portion of it in stock, on account of the decreased consumption in the United States.

Enormous deposits of iron ore were discovered in 1906-7 on the north coast of Cuba, in the vicinity of Mayari and Moa. The deposits are unique in many respects. They appear on the surface, covering several thousands of acres with an average depth of about 20 feet. The ore resembles red clay, which it approaches in consistency. It carries about 40 per cent of water, and its physical condition is such that it must be agglomerated before going into the blast furnaces. It contains small percentages of chromium and of nickel. A writer in the *Iron Age* makes the following statement in regard to these discoveries:

These discoveries are of international importance, but primarily will assure the future of the steel industry of our Eastern States and of our Atlantic seaboard, which since the opening of the Mesaba mines, has been gradually driven on the one hand in the direction of producing specialties, and on the other hand of relying upon old material to feed its steel furnaces. The known new deposits on the north coast of Cuba are so extensive that it is likely that the steel-producing interests controlling them will ultimately supply the open market on both sides of the Atlantic with increasing quantities.

The Pennsylvania Steel Company and its affiliated interests have spent large sums of money in the exploration and development of these mines at Mayari. A plant for handling over 1,000,000 tons per annum has just about been completed. The plant consists of about 20 miles of standard-gauge railroad, an electrical plant for drying and agglomerating the ore, harbor works, loading appliances, machine shops, and houses for the employees. The company expects to begin to make shipments about July 1, 1909.

The following table shows the number of tons of iron, copper, and manganese ores shipped to the United States and the values thereof for the past five years:

Years.	Iron.		Manganese.		Copper.	
	Tons.	Value.	Tons.	Value.	Tons.	Value.
1904.....	376,470	\$849,408	20,214	\$82,170	10,599	\$235,764
1905.....	554,200	1,474,632	6,771	33,856	19,533	599,138
1906.....	636,960	2,210,331	8,300	83,000	24,558	330,236
1907.....	664,375	2,569,924	27,106	236,747	34,260	624,100
1908.....	570,310	1,726,698	1,470	13,489	45,381	460,450
Total.....	2,802,315	8,830,993	63,861	449,262	134,331	2,258,688

CLASSIFICATION OF EXPORTS.

The declared value of the exports from the Santiago consular district to the United States during the calendar year 1908 was \$14,449,063, a decrease of \$1,285,023 compared with the preceding

year. The decrease occurs largely in the exports of iron ore, hard woods, and cacao, attributable to the following causes: Iron ore, to the reduced consumption in the United States; hard woods, to the low prices obtaining in the market, and cacao, to the decrease in production because of the drought.

The following table shows the value of the exports to the United States in 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bananas.....	\$571,775	\$561,152	Pineapples.....	\$17,028	\$17,247
Beeswax.....	15,198	7,807	Rum.....		3,004
Cacao.....	205,948	77,057	Sugar.....	10,142,586	10,806,560
Cocoanuts.....	214,812	183,140	Tobacco leaf.....		829
Cocoanut oil.....		3,927	Wood:		
Citrus fruits.....		11,822	Logs, cedar.....	754,636	282,973
Hides.....	82,732	93,446	Strips, cedar.....	151,954	67,491
Honey.....	15,714	6,215	Lignum-vitæ.....		7,233
Metal, old.....	5,660	3,275	Mahogany.....	94,970	70,951
Molasses.....		8,550	Other.....	11,118	2,319
Ore:			All other articles.....	19,194	4,115
Copper.....	624,100	469,450	Total.....	15,734,086	14,449,063
Gold.....		8,572	Returned American goods.....	20,187	28,993
Iron.....	2,569,924	1,726,698	Grand total.....	15,754,273	14,478,056
Manganese.....	236,747	13,489			
Palm leaf.....		2,739			

A DECLINE IN IMPORTS.

The statistics of imports for the consular district other than those for Santiago not being available, no comparison can be made with the exports of the district for the purpose of determining the balance of trade.

The value of the imports into Santiago during 1908 was \$6,522,823, which is \$2,142,705 less than in 1907. The decrease in imports was due to retrenchment by the commercial interests on account of the general business depression following the financial crisis in the fall of 1907; the reserve incident to local causes, by commercial and capital interests; home production of commodities heretofore imported; and finally to the postponement of enterprises already projected, or under consideration.

Compared with 1907, the percentage of loss in imports for each of the leading countries is as follows: France, 40.02; United States, 27.15; Spain, 24.65; United Kingdom, 13.80; and Germany, 11.03.

The only increase in the value of imports into Santiago was in those from Nova Scotia, which in 1907 furnished merchandise to the value of \$423,894 and in 1908 \$426,487. The increase in such imports, consisting of codfish, hams and bacon, hay and grain, apples and potatoes, represents a loss in imports to the United States.

England still retains the lead in imports of cotton and woollen textiles, while a comparatively small portion is imported from Spain, Germany, and the United States.

The imports from France consists of silk textiles, hosiery, underwear, fancy canned fish and meats, drugs and pharmaceutical products; those from Germany of cotton and woollen textiles, manufactures of iron and steel, cutlery, jewelry, and novelties; those from Spain of cotton textiles, laces, shoes, canned and dried meats, preserved fruits, and wines.

EUROPEAN HOUSES FAVORED IN PURCHASES.

The large importing textile and provision houses are in the hands of Spaniards and have been, as a rule, established for many years. They have been accustomed for many years to trade with European houses, have an established credit, and are able to buy goods packed and stamped in accordance with their wishes and upon the most favorable terms. American merchants who desire to compete for this trade should bear these facts in mind, and should be prepared to meet the terms and conditions of European houses in these respects, resting confident meanwhile that their customer is a responsible person who will meet his obligations as they become due.

Respecting the monetary standard, the official money of the Republic is United States currency, and it is used exclusively in this consular district and is the basis of all commercial transactions. Spanish gold and silver are used in other parts of the island.

The following table shows the value of the imports, by countries, into Santiago during each of the past two years:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$4,257,157	\$3,100,937	Netherlands.....	\$59,080	\$44,848
Argentina.....		16,724	Nova Scotia.....	423,894	426,467
Austria-Hungary.....	35,374	30,225	Porto Rico.....	103,199	65,006
Belgium.....	21,148	24,610	Spain.....	1,087,004	818,952
Colombia.....	1,319	514	Switzerland.....	60,801	80,792
Denmark.....	40,687	35,414	United Kingdom.....	1,103,142	950,904
France.....	427,397	256,328	Uruguay.....	52,865	
Germany.....	301,663	268,378	Venezuela.....	221,442	33,900
India.....	324,368	301,481	All other countries.....	69,089	14,381
Italy.....	34,666	23,404			
Jamaica.....	10,007	5,459			
Mexico.....	31,226	24,080	Total.....	8,665,528	6,522,823

LOSS IN SHIPMENTS FROM THE UNITED STATES.

Of the total imports into Santiago the United States furnished articles valued at \$3,100,937, or 47.53 per cent, against \$4,257,157, or 49.12 per cent, in 1907, a decrease of \$1,156,220, or 27.15 per cent. This loss does not represent any considerable trade which has been secured by any other country, but with the opening up of large areas to the cultivation of citrus fruits, vegetables, and other products of agriculture a large amount of provisions, fruits, and vegetables, formerly imported from the United States, is being produced at home. Also with the installation of sawmills for working up the native timber there has been a noticeable decrease in the imports of lumber.

There was also a falling off in the imports of hog products, due to the fact that more attention is being given to hog raising, which is a profitable industry in Cuba, as the animal thrives well here.

With the opening up of the country better methods of culture are being adopted and potatoes, onions, peas, beans, and cabbages, of which large quantities are annually imported, are being produced successfully for home consumption.

The table following shows the imports from the United States into Santiago during 1907 and 1908.

Articles.	1907.	1908.	Articles.	1907.	1908.
Acids.....	\$9,092	\$6,288	Leather, and manufactures of:		
Agricultural implements.....	4,429	3,661	Harness and saddles.....	\$2,758	\$2,519
Animals, live.....	3,695	1,073	Leather.....	4,785	5,173
Beer.....	97,482	75,038	Shoes.....	302,866	238,746
Breadstuffs:			All other.....	10,471	7,262
Corn.....	20,017	750	Oils:		
Flour.....	462,152	506,722	Cotton-seed.....	36,490	8,079
Meal.....	3,691	3,851	Petroleum.....	7,910	5,478
Oats.....	22,142	875	All other.....	17,104	24,598
Bricks.....	11,921	6,872	Oilcloth.....	5,752	4,651
Candles.....	61,850	21,751	Paper, etc.....	30,958	32,493
Carriages.....	7,417	3,462	Perfumery and essences.....	2,868	2,415
Cars, railroad.....	101,701	39,409	Pickles and sauces.....	41,875	32,211
Cement.....	104,024	64,884	Provisions:		
Chemicals, etc.....	39,194	24,840	Butter.....	3,645	3,448
Coal (nearly all bituminous).....	218,041	279,225	Cheese.....	1,056	374
Colors.....	18,250	17,257	Eggs.....	20,560	12,313
Copper, and manufactures.....	1,165	130	Hams and shoulders.....	105,401	71,024
Cordage and tackle.....	3,846	2,095	Lard.....	348,662	308,781
Cotton, raw.....	2,723	3,360	Milk, condensed.....	12,358	9,368
Fabrics.....	95,693	119,511	Oleomargarin.....	5,264	2,511
Fibers, and manufactures.....	14,705	2,184	Pork, salted.....	161,009	114,410
Fish.....	8,464	3,387	Rubber goods.....	2,975	3,062
Glass and glassware.....	48,902	36,316	Salt.....	14,767	14,538
Hay.....	3,046	2,911	Soap.....	10,471	9,241
Iron and steel, and manufactures of:			Tar and turpentine.....	4,291	2,916
Cutlery.....	1,367	1,121	Tin and manufactures.....	3,719	4,411
Iron and steel, in pieces.....	146,861	68,651	Tobacco.....	2,422	910
Machines—			Vegetables and fruits.....	207,502	76,801
Sewing.....	15,152	14,562	Waters, mineral.....	11,486	5,597
Typewriting.....	2,604	1,696	Wood, manufactures of:		
All other.....	486,091	205,672	Furniture.....	52,755	41,847
Nails.....	14,647	10,433	Lumber.....	225,964	129,927
Pipes.....	21,806	10,077	All other articles.....	430,004	323,481
Tools.....	16,165	10,941			
Wire, barbed, etc.....	95,006	44,732	Total.....	4,257,157	3,100,937
Jewelry, etc.....	5,679	8,619			

BRITISH WEST INDIES.

BAHAMAS.

By CONSUL JULIAN POTTER, NASSAU.

The general trade of the Bahamas showed an increase during 1908 over 1907. The combined value of the imports and exports for 1908 was \$2,998,780 against \$2,688,000 in the previous year. The imports from the United States during 1908 amounted to \$1,266,835 and the exports thereto \$628,800, an increase of \$45,918 in imports but a decrease of \$41,205 in exports compared with 1907. The principal articles imported from the United States during 1908 were as follows: Furniture, earthenware, etc., \$149,150; machinery, \$54,565; flour, \$219,530; meats, \$88,515; butter, \$33,690; meal and hominy, \$72,145; lard, \$35,150; hardware, glassware, etc., \$35,340; lumber and shingles, \$29,985; fertilizers, \$8,155; oils, \$24,550; tobacco, \$8,175; cotton and woolen goods, \$105,605; and rope and canvas, \$32,300. Among the exports to the United States during the year were hemp worth \$231,805; shells, \$21,665; sponges, \$252,075; fresh and preserved pineapples, \$83,870; bark, \$9,955; and cocoanuts, \$4,775. There were 68,344 cases of preserved pineapples, valued at \$62,660, shipped to the United States in 1908, against 117,196 cases valued at \$95,000 in 1907. The value of sponges shipped to the United States showed an increase of \$27,075 over 1907.

During 1908, 249 steamers and 119 sailing vessels entered ports of the Bahamas, representing a total of 505,016 tons, an increase of 9 steamers, but a decrease of 6 sailing vessels compared with the previous year. The increase in tonnage was 22,630 tons. The mail, passenger, and freight service between Bahama and the United States is first class in every respect. This colony pays an annual subsidy of \$25,000 to two American lines of steamers, for which a fortnightly service is maintained between New York and Nassau, and a semi-weekly service from Florida during January and part of April with tri-weekly trips during February and March.

Nassau is becoming quite prominent as a winter resort for Americans. During the 1908 season about 2,500 persons from the United States stopped here, and as many more visited the islands for only a few hours each. All the cottages were occupied, and in many instances rented for next year.

BARBADOS.

By CONSUL CHESTER W. MARTIN, BRIDGETOWN.

The total trade in 1908 amounted to \$10,580,001 against \$10,739,311 in 1907. The colony's imports from all countries in 1908 were \$5,965,696, against \$6,187,890 for 1907. The total exports amounted to \$4,614,305, of which \$1,655,453 consisted of foreign manufactures and products and \$2,958,852 were the products and manufactures of the island. The exports for 1907 were valued at \$4,551,421, of which \$2,986,766 were domestic products and \$1,564,655 foreign products.

The following table gives the total value of all imports into and exports of domestic products from Barbados, by countries, during 1907 and 1908, respectively:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$2,242,118	\$2,003,402	\$243,847	\$895,280
Brazil.....	78,034	10,263		1,762
British Guiana.....	223,868	216,106	31,002	43,462
British West Indies.....	283,410	250,878	108,273	125,247
Canada.....	496,106	738,107	1,550,813	1,167,819
Chile.....		34,065		
Netherlands.....		87,237		13,516
Newfoundland.....	46,985	91,485	248,092	257,096
United Kingdom.....	2,716,227	2,420,003	759,101	429,891
Other countries.....	101,139	114,150	36,663	34,777
Total.....	6,187,890	5,965,696	2,986,766	2,958,852

IMPORTS FROM CANADA AND THE UNITED STATES.

The loss by the United States in imports and the corresponding increase from Canada can be accounted for by the high prices of grain and its products in the United States during 1908.

The table following gives the value of imports from the United States and Canada, respectively, by articles, during 1908.

Articles.	United States.	Canada.	Articles.	United States.	Canada.
Animals, live.....	\$17,223	\$2,676	Oil meal and cake.....	\$57,676	.....
Boots and shoes.....	19,366	910	Oils:		
Bran and pollard.....	31,253	613	Cotton-seed.....	31,103	.....
Breadstuffs:			Petroleum, etc.....	48,500	.....
Bread and crackers.....	23,479	501	Paper, printing, etc.....	14,531	\$1,829
Corn and cornmeal.....	155,285	.....	Provisions:		
Flour.....	318,245	113,944	Bacon and ham.....	17,826	83
Oats.....	20,240	12,433	Beef and pork.....	251,129	4,837
All other.....	26,508	29,302	Butter.....	22,050	7,105
Carriages and carts.....	17,981	1,698	Cheese.....	1,215	7,160
Chemicals and drugs.....	27,964	949	Oleomargarin.....	16,385	.....
Cotton, linen, silk, and			Sugar, refined.....	16,453	.....
manufactures of.....	29,107	521	Wood, and manufactures of:		
Fertilizers.....	26,906	128,420	Furniture.....	12,287	5,181
Fish, salted.....	118,631	82,380	Lumber.....	52,278	213,678
Fruits and vegetables.....	1,919	11,784	Shingles.....	9,064	63,007
Iron and steel, manufac-			Staves.....	130,772	3,606
tures of:			All other articles.....	441,685	38,316
Hardware.....	34,342	764			
Nails, spikes, etc.....	11,957	6,210	Total.....	2,003,402	738,107

The following table is a comparative statement of the principal manufactured articles imported into Barbados from the United States and the United Kingdom, respectively, in 1908:

Articles.	United States.	United Kingdom.	Articles.	United States.	United Kingdom.
Books, maps, and charts.....	\$2,599	\$31,042	Milk, condensed.....	\$258	\$18,889
Carriages and carts.....	17,981	15,277	Paper, writing, printing, etc.....	14,531	17,011
Cement.....	.....	14,529	Paints and varnishes.....	2,136	20,443
Chemicals and drugs.....	27,964	31,299	Perfumery.....	4,659	10,411
China, porcelain.....	579	17,352	Plated ware and jewelry.....	1,315	25,633
Cotton, linen, silk, and woolen			Soap.....	7,771	74,448
manufactures.....	29,107	833,821	Spirits, wines, and malt liq-		
Fertilizers.....	26,906	154,246	uors.....	7,541	115,588
Glass manufactures.....	4,630	16,987	Sugar, refined.....	16,453	36
Iron and steel, manufactures			Tobacco, and manufactures of,	10,358	26,860
of:			Wood, and manufactures of:		
Hardware.....	34,342	112,892	Furniture.....	12,287	13,466
Machinery.....	5,454	46,894	Staves and shooks.....	130,772	.....
Nails, etc.....	11,957	4,513	All other articles.....	22,173	126,970
All other.....	13	12,489			
Leather, and manufactures of:			Total.....	415,323	1,814,851
Boots and shoes.....	19,366	51,352			
All other.....	4,150	22,403			

The imports of cotton, linen, silk, and woolen manufactures during the year were \$350,321 less than in the preceding year, owing largely to the depression caused by the small sugar crop. The United Kingdom still leads in the sale of manufactured articles in spite of the advantage of the United States in time, distance, and freight rates. This is undoubtedly due in part to English connections of long standing, but largely to their better knowledge of the wants of the colony, and the fact that they call upon the trade and meet conditions.

EXPORTS—COTTON INDUSTRY.

The products and manufactures of the colony make up about 64 per cent of the value of the exports. The other 36 per cent comes from the United Kingdom, British colonies, and foreign countries, and is reexported. The principal articles produced for export in the colony are cotton, molasses, and sugar. The domestic products

exported during 1908 were cotton lint, \$299,673; cotton seed, \$6,012; molasses, \$1,059,494; sugar, \$1,403,673; all other articles, \$190,000.

The price of cotton fell off in 1908, while that of molasses and sugar materially increased. These values are only approximate. In making up the customs reports an average price for the article for the year is used as a basis. For example, in 1907 sugar was valued at \$32.83 per hogshead, while the average declared value at the consulate was \$36.63; in 1908 the customs value was \$38.93 and declared value \$46.22. This difference in value is partly accounted for by the fact that in the declared value the cost of packing, light-erage, insurance, and commission is included.

According to the best information obtainable the outlook for the cotton industry on the Leeward and Windward islands is not so bright as three or four years ago. The fact is staring the West Indies in the face that in the competition for the supply of the home market with sea-island cotton they are running a bad second, and the question that is being seriously asked is whether they will not be compelled to drop out in the near future.

TRADE OPPORTUNITIES.

Conditions are most favorable for increased trade with the United States, but it can be secured only by frequent calls of representatives who thoroughly understand the lines of goods they handle. The practice of sending out such men once in two or three years and then depending upon local representatives, who have no knowledge of their lines except prices and terms, will not succeed. This is especially true in the line of cotton manufactures. This should be a good field for the sale of cotton goods if the wants of the trade are met. Our sales, instead of increasing as they should, are declining. In 1906 the United States furnished \$45,837; in 1907, \$38,006, and in 1908, \$29,107. This, with time and freight rates to the advantage of the United States exporter and with the customs duties equal, shows a great lack of attention on the part of the United States exporter.

Barbados has furnished during the past five years more than 22,000 laborers for the work on the Canal Zone. As these men were among the ablest agricultural workers of the island they will be greatly missed in the cane fields. Many of them are sending home enough of their earnings to support their families, which deprives the planter of the customary labor of the women and older children. The commercial interests of the island do not suffer to the same extent that the agricultural interests do, the purchasing power of the people being maintained by money sent home from the Canal Zone and the United States. During 1908, \$493,436 came in through the post-office and by returning laborers. There has been no new means of transportation opened during the past year and no new industries have been established.

Thirty-nine more vessels called at this port in 1908 than in 1907, the number being 1,643, of a net tonnage of 1,703,316 tons. Two of these were yachts, 748 steamers, and 893 sailing vessels. No man-of-war of any country called during the year. Two hundred and twenty-nine steamers took 54,153 tons of coal for bunkers, a falling off from the previous year of 67 steamers and 16,378 tons of coal.

ROSEAU AGENCY.

By CONSULAR AGENT H. A. FRAMPTON.

The value of the total foreign trade of Dominica, including reexports, in 1908 was \$1,191,813. This includes whalers' stores in transit to the amount of \$11,076, and whale oil amounting to \$77,600. These are credited in the imports from British colonies, while as a matter of fact the supplies are from the United States and the whale oil from the high seas. Another item credited as an import from the British colonies is pitch-pine lumber to the value of \$8,204. This originally must have come from the United States. If these items were eliminated from the imports from the British colonies it would reduce them to \$79,857. By adding the whalers' stores and lumber imports to the United States list it would be increased to \$195,571. Cotton and woolen goods and their manufactures constitute about 51 per cent of the imports from the United Kingdom and hardware nearly 10 per cent. A fair proportion of this trade could be secured by American exporters if they would adopt proper sales methods. In boots and shoes 61 per cent are from the United States, owing to the manufacturers sending a personal representative to push the trade.

PRINCIPAL IMPORTS.

The principal articles and amount of each imported into Dominica during 1908 from the United States, British colonies, and the United Kingdom, respectively, and the amount from other countries, were as follows:

Articles.	United States.	British colonies.	United Kingdom.	Other countries.
Boots and shoes.....	\$11,348	\$953	\$6,231	\$14
Breadstuffs.....				
Bread and biscuits.....	1,720	326		
Corn meal.....	1,230	117		
Flour.....	53,329	880		466
Oats.....	671	1,030	29	
Cotton and woollens.....	3,834	462	87,850	24
Drugs.....	860	194	1,973	20
Earthen and glass ware.....	685	583	5,924	2,513
Fancy goods.....	1,259	355	3,844	131
Fertilizers.....	1,691	4,189	2,158	350
Fish, dried.....	6,264	17,579	29	224
Groceries.....	2,591	1,171	8,209	602
Haberdashery.....	1,570	2,542	50,121	904
Iron and steel, manufactures of:				
Hardware.....	8,582	4,190	26,599	1,497
Machinery.....	1,015	180	9,414	
Jewelry.....	1,249	83	2,780	481
Oil meal.....	1,259	350	29	
Oils:				
Cotton-seed.....	4,607	360		
Kerosene.....	4,889	29		
Olive.....	2,858		209	199
Paper and stationery.....	3,485	651	1,662	78
Provisions:				
Beef, salted.....	4,126	301		
Cheese.....	1,346	258	141	34
Hams and bacon.....	855	87	904	5
Lard.....	7,173	214	5	
Oleomargarin.....	6,104	306		
Pork.....	4,097	214		
Spirits, wines, and malt liquors.....	2,449	4,086	13,598	4,448
Sugar.....	9,774	2,415	92	2,216
Tobacco, raw.....	4,073			
Wood, and manufactures of:				
Furniture.....	1,065	695	4,092	665
Lumber.....	9,579	11,178		10
All other articles.....	10,664	120,759	49,568	4,625
Total.....	176,291	176,737	275,461	19,506

The direct imports from the United States for the past three years show a slight decline, which is due to the fact that many merchants order American goods, such as beef, pork, sugar, flour, oil meal, and lumber, from Barbados or Trinidad, the former being the center for immediate supplies of provisions and the latter for lumber, which can be imported from there in small quantities cheaper than from the United States directly. As all these articles are the products of the United States, if they are added to the direct imports the sum total will show a great increase in trade.

A factory for the manufacture of oleomargarine has been started here, which supplies a great portion of the local demand, and a considerable quantity is exported to other islands.

EXPORTS.

The following table gives the value of the exports of domestic products from Dominica during 1908, by articles and by countries:

Articles.	United States.	British colonies.	United Kingdom.	Other countries.
Bay leaves.....	\$3,280	.....	.....	\$44
Citrate of lime.....	39,487	.....	\$190	.....
Cocoa.....	4,668	\$16,808	110,587	15,495
Limes, fresh.....	37,929	1,846	4,702	.....
Lime juice:				
Concentrated.....	8,093	12	103,118	.....
Raw.....	1,623	9,102	24,273	28
Lime oil:				
Essential.....	2,019	.....	3,061	.....
Distilled.....	1,306	8	15,648	.....
All other articles.....	1,274	13,694	23,032	5,785
Total.....	99,679	41,470	285,211	21,352

The exports of the island are increasing yearly, the chief products being green limes, crude and concentrated lime juice, distilled and hand-pressed lime oil, citrate of lime, starch, and bay leaves. About half of the concentrated lime juice made is sent to the United States, but the returns for 1908 do not show this fact, since some large producers held their stock for higher prices which they anticipated as a result of the Messina earthquake. Most of the other half would find its way into the American market were it not for the fact that English merchants hold mortgages on many of the estates, and the produce has to be shipped to England.

Practically the only market for green limes is America. Unfortunately nothing can be done to control the quantity exported, hence at times the market is flooded and shippers lose heavily. Shippers are also of opinion that better facilities could be established for the shipment of the fruit. The Quebec line, not being subsidized, can not always keep up to its advertised time.

A citrate of lime factory is extending its operation yearly, practically the entire output being sent to the United States. A cassava starch factory is also making headway and turns out a superior quality of goods, but up to the present the product finds its way only to England and the colonies.

The total reexports of products of other countries were valued at \$96,106, and were distributed as follows: United States, \$81,574, the principal article being whale oil, valued at \$77,600; British colonies,

\$13,465, \$11,076 of which was whaler's stores in transit; United Kingdom, \$1,024; and other countries, \$43.

BERMUDA.

By CONSUL W. MAXWELL GREENE, HAMILTON.

The total trade of the colony of Bermuda in 1908 amounted to \$2,426,699, of which \$1,910,208 was imports and \$516,491 exports. The imports from the United States were valued at \$1,005,356; United Kingdom, \$504,077; Canada, \$365,255; West Indies, \$28,751; and other countries, \$6,769; decreases from 1907 of \$44,886 and \$89,282 for the United States and the United Kingdom, respectively, and an increase of \$12,884 for Canada.

The articles and amounts imported from the United States, Canada, and the United Kingdom, respectively, are shown in the following table:

Articles.	United States.	Canada.	United Kingdom.	Articles.	United States.	Canada.	United Kingdom.
Animals, live.....	\$92,537	\$11,019	.....	Linen goods.....	.....	.....	\$11,154
Bicycles, and parts of..	4,375	243	\$1,187	Musical instruments.....	.....	.....	2,166
Boots and shoes.....	56,393	1,304	8,288	Oils: Kerosene, naphtha, etc.....	\$34,654	.....	.....
Breadstuffs: Flour, corn, bran, etc.....	55,727	151,859	.....	Paper, books, and stationery.....	6,847	.....	4,686
Building material.....	.....	.....	4,721	Provisions:	.....	.....	.....
Canned goods.....	1,981	.....	21,208	Dairy products—	.....	.....	.....
Coal.....	39,638	.....	5,504	Butter.....	30,002	\$48,110	.....
Coffee, tea, and cocoa...	13,237	5,402	4,005	Cheese.....	5,957	14,157	141
Clothing.....	20,069	606	45,434	Meat products—	.....	.....	.....
Confectionery.....	5,553	.....	4,385	Beef.....	70,467	.....	.....
Cotton goods.....	78,746	234	64,359	Meat and poultry.....	11,324	.....	.....
Cigars, tobacco, etc.....	17,462	273	8,638	Other.....	11,315	.....	1,217
Drugs, paints, and oils.....	14,789	857	6,025	Rice.....	.....	.....	8,122
Electrical supplies.....	8,693	.....	.....	Silk goods.....	.....	.....	21,417
Eggs.....	5,908	3,801	.....	Soap and starch.....	10,852	224	8,682
Fertilizers.....	22,877	.....	.....	Spirits, wines, and malt liquors.....	4,004	326	85,706
Fish:	.....	.....	.....	Sugar.....	26,639	.....	12,974
Dried.....	.....	18,858	.....	Woolen goods.....	2,492	.....	535
Fresh.....	.....	9,607	.....	Wood, manufactures of:	.....	.....	.....
Groceries.....	19,680	6,277	1,163	Lumber.....	23,972	3,400	3,100
Hay.....	.....	.....	19,408	Furniture.....	11,631	1,767	4,876
Iron and steel, manufactures of:	.....	.....	.....	All other articles.....	266,574	77,425	119,448
Hardware.....	21,651	4,161	7,640	Total.....	1,005,356	365,255	504,077
Machinery, etc.....	2,054	.....	5,684				
Jewelry and plated ware.....	7,256	5,343	12,804				

EXPORTS TO THE UNITED STATES.

The exports from Bermuda to the United States, Canada, the United Kingdom, and the West Indies during 1908 were valued at \$455,994, \$7,115, \$20,819, and \$10,688, respectively. The items were as follows:

Articles.	Value.	Articles.	Value.
UNITED STATES.		UNITED STATES—continued.	
Arrowroot.....	\$1,845	Vegetables:	.....
Bulbs.....	17,953	Onions.....	\$231,559
Films, photographic.....	9,898	Potatoes.....	120,643
Flowers, cut.....	1,241	Other.....	31,810
Hides.....	2,651	All other articles.....	529
Household effects.....	2,976	Total.....	431,285
Spirits and wines.....	10,180		

Articles.	Value.	Articles.	Value.
UNITED STATES—continued.		UNITED KINGDOM—continued.	
Returned American goods.....	\$24,709	Hides and skins.....	\$3,582
Grand total.....	455,994	Tallow.....	1,475
CANADA.		All other.....	2,277
Onions.....	3,368	Total.....	20,819
All other.....	3,747	WEST INDIES.	
Total.....	7,115	Onions.....	4,979
UNITED KINGDOM.		Potatoes.....	2,278
Arrowroot.....	9,426	All other.....	3,431
Bulbs.....	4,059	Total.....	10,688

The shrinkage in value of onion exports, caused by the competition of heavy shipments of onions from Texas—a competition so severe as to threaten the existence of this industry in the islands—accounts for nearly all of the \$67,902 decrease in exports for 1908 as compared with 1907. Planters have been experimenting for some time with the end in view of ripening a crop of finest quality white onions to be delivered in New York before the Texas-grown product is ready for the market, and, by a careful selection of seed, have so far met with considerable success. As onions formed the largest single item of the total of \$516,491 exports for the year, this effort of the planters, which means so much to the commerce of the district, is being watched with interest.

The island has become very popular as a resort for tourists, the number arriving far exceeding that of any previous year. This traffic is the basis of hope for great prosperity for the island, and plans for the accommodation of the increased influx are being made. The Quebec Steamship Company and the Atlantic Steamship Company propose to make two weekly trips, the former's ships to Hamilton and the latter's to St. George.

Many of the imports now credited to the United States were from Canada, being shipped via New York. These goods are flour, grain, feed, and provisions. If the merchant of Bermuda can buy cheaper in Canada, he will do so. American dealers must meet this competition in order to get the trade.

JAMAICA.

By CONSUL FREDERICK VAN DYNE, KINGSTON.

The total foreign trade of the colony for the fiscal year ended March 31, 1909, was \$22,719,563, against \$25,452,981 for 1907-8. The imports amounted to \$11,694,759 and the exports \$11,024,804. The decrease of \$2,194,435 in the imports was due partly to the activity of the previous year in rebuilding and restocking after the earthquake and drought, and partly to the abundant home-grown food crops which helped to reduce the imports of provisions and food-stuffs from the United States.

The value of food and drinks imported was \$4,325,780, against \$4,837,498 for the fiscal year 1907-8. There were considerable decreases in the imports of liquors, bread and biscuits, beef, cheese, condensed milk, corn, rice, and meal.

The imports of flour during 1908-9 amounted to 220,131 barrels, valued at \$1,182,438, against 245,306 barrels in the previous year. Of the imports in 1908-9 the United States furnished \$1,146,481 worth. Butter and substitutes to the amount of 454,809 pounds were imported, 36,468 pounds less than in the preceding year. The imports of this class from the United States were valued at \$64,604; the United Kingdom furnished \$43,292 worth, and Canada \$32,994. There was an increase of 15,039 pounds in the imports of lard, which amounted to 203,833 pounds and nearly all of which came from the United States. The imports of oats amounted to 71,546 bushels, valued at \$56,602, against 59,280 bushels in 1907-8. The imports of fish increased from \$120,000 to \$156,497. Pickled and salted fish increased \$10,682. The imports of bacon amounted to 51,950 pounds, valued at \$9,459. There was an increase of 5,473 and 3,040,720 pounds in imports of ham and salt, respectively. The increase in the imports of oil amounted to 13,308 gallons.

The value of partly and wholly manufactured goods imported during the year was \$6,764,779 as compared with \$8,364,404 in the fiscal year 1907-8 and \$6,350,924 in 1906-7, a decrease of \$1,599,625 from last year and an increase of \$413,855 over 1906-7.

LUMBER, CLOTHING, BOOTS, AND SHOES.

The imports of lumber, machinery, and painters' colors and materials were smaller than during the previous year, but there were increased imports of shingles, galvanized iron for roofing, iron and steel rails, and electrical apparatus. The value of the lumber imported was \$473,582, of which \$452,524 came from the United States. The imports of painters' colors and materials were valued at \$55,967, against \$71,456 in 1907-8. Shingles to the value of \$85,069 were imported, of which \$84,899 came from the United States. The imports of shingles in 1907-8 amounted to \$27,857. Galvanized iron for roofing, valued at \$79,344, was imported, which was \$5,083 more than in the previous year. The imports of cement during 1908-9 were valued at \$124,606, the United States furnishing \$28,941, an increase of \$15,873 over 1907-8 in the imports from the United States.

The trade in clothing, boots, and shoes declined on account of the heavy restocking of the previous year. The imports of wearing apparel from the United States and the United Kingdom amounted to \$332,231, against \$513,580 in 1907-8. The share of the United States in this trade last year was \$60,336 and that of the United Kingdom \$271,895. In 1907-8 the imports from the United States amounted to \$86,642 and those from the United Kingdom to \$426,938.

The value of leather, boots, and shoes imported in 1908-9 was \$311,749, against \$442,600 in 1907-8. There was, however, a remarkable increase in the share that the United States secured in this trade last year. In 1907-8 the value of the imports from the United States was \$216,111 and from the United Kingdom \$224,743; in 1908-9 the imports from the United States amounted to \$185,209, and those from the United Kingdom \$125,446.

CARRIAGES, DRUGS AND MEDICINES, ETC.

The imports of carriages, including motor cars, were valued at \$61,031, an increase of \$11,911 over 1907-8. Furniture valued at \$72,177 was imported, against \$59,816 in the previous year. The imports of hardware and cutlery were valued at \$326,907, which was \$56,133 less than during 1907-8.

The imports of drugs and medicines decreased from \$170,887 in 1907-8 to \$122,522 in 1908-9. Here again the United States secured a much larger proportion of the trade. In 1907-8 the imports from the United States were valued at \$83,278 and those from the United Kingdom \$80,389. In 1908-9 the value of the imports from the United States was \$67,004 and from the United Kingdom \$48,653.

In 1907-8 the United States sold \$24,041 worth of paints to Jamaica; last year's sales amounted to only \$14,492. The imports from the United Kingdom last year were \$39,545 and in 1907-8, \$42,659. The United Kingdom furnished last year to Jamaica soap to the value of \$156,579 and the United States furnished only \$7,498 worth. The imports of perfumery last year were \$66,081, of which \$30,054 came from the United Kingdom, \$23,809 from the United States, and \$12,218 from other countries. Coal valued at \$143,858 was imported from the United States, while the imports from the United Kingdom amounted to \$28,304.

EXPORTS—SHIPPING.

Of the \$11,024,804 exports, \$5,875,292 consisted of fruit, of which bananas made up \$5,405,369, cocoanuts \$216,753, oranges \$187,484, and grapefruit \$65,686. The next staple export after fruit was rum, of which \$907,328 worth was exported during the year, against \$851,418 the previous year. Pimento occupied third place with \$698,463, an increase of \$356,675. Coffee came next with \$469,656, then cocoa, \$443,315, a decrease of \$295,920 in value, although there was a slight increase in quantity. The exports of sugar were valued at \$275,162, which was \$159,058 less than the previous year. The exports of tobacco, cigars, etc., were valued at \$158,386, and those of honey at \$65,099.

The remaining exports consisted principally of logwood extract, \$556,969; coin and bullion, \$717,642; logwood, \$225,508; other woods, \$46,116; annatto, \$49,996; and beeswax, \$44,388.

The United States is Jamaica's best customer, in 1908-9 taking \$6,372,288 of the \$11,024,686 worth of exports, against Great Britain's \$2,370,307, Canada's \$474,161, and all other countries' \$1,807,930. The previous year the United States took 59 per cent, Great Britain 21.4 per cent, and Canada 5.3 per cent of Jamaica's exports.

During the year 1,363 vessels of 1,482,724 tons entered the ports of Jamaica, an increase of 308 in number of vessels and of 294,215 in tonnage over the previous year. Eight hundred and forty-three of the vessels were from ports of the United States and 111 were American vessels.

DECLARED EXPORTS FROM KINGSTON AND AGENCIES.

The value of the exports to the United States declared at Kingston during the calendar year 1908 was \$1,388,535. The articles were:

Articles.	1907.	1908.	Articles.	1907.	1908.
Annotto.....	\$20,734	\$22,700	Logwood extract.....	\$177,084	\$133,281
Cocoa.....	129,244	121,045	Metals, old.....	24,966	12,428
Coffee.....	91,996	180,555	Pimento.....	61,161	51,178
Fruits and nuts:			Rum.....	1,920	1,673
Bananas.....	693,300	665,180	Turtles, live.....	3,567	3,847
Cashew nuts.....	843	1,029	Wax.....	4,098	5,061
Cocoanuts.....	76,125	5,410	All other articles.....	15,846	5,528
Oranges.....	43,396				
Fustic.....	491	491	Total.....	1,466,301	1,335,239
Ginger.....	35,813	47,496	Returned American goods	54,144	53,296
Grapefruit.....	35,974	41,769			
Hides and skins.....	49,744	36,568	Grand total.....	1,520,445	1,388,535

The declared value of exports for 1908 from the three agencies, exclusive of returned American goods, amounted to \$1,119,540, as follows:

Port Morant, \$391,802, the principal articles being bananas, \$358,213; cocoanuts, \$31,802; and oranges, \$1,058. St. Ann's Bay, \$239,101, consisting mainly of bananas, \$160,384, coffee, \$7,634; lime juice, raw and concentrated, \$7,467; oranges, \$11,566, and pimento, \$43,851. Montego Bay, \$488,637, the principal articles being annatto, \$13,957; coffee, \$63,264; cocoanuts, \$14,238; bananas, \$258,093; ginger, \$31,092; pimento, \$77,727; skins, \$16,557.

PORT ANTONIO.

By CONSUL NICHOLAS R. SNYDER.

The only statistics available from which an idea of the imports into this consular district can be gathered are in the collector general's report for the fiscal year ended March 31, 1908. His report in dealing with individual parishes gives only the amount of duty collected in each and does not enumerate either the articles imported or their value. The report shows, however, that duty to the extent of \$224,820, or 8.8 per cent of the entire amount collected for the whole island, has been paid at the three ports of entry in this consular district. This does not by any means indicate the proportion of imports into this district, or its correct ratio of business with the other divisions of the island, as a considerable portion of merchandise handled here is entered at Kingston, where it arrives from abroad, and is brought here after the duty has been paid.

IMPORTS AND EXPORTS.

Lumber and petroleum are imported solely from the United States. Over 75 per cent of the imports of coal, boots and shoes, haberdashery, furniture, notions, flour, corn, pickled meats, and vehicles also comes from the United States.

A portion of the cotton and printed piece goods, perfumery, hardware, farming implements, canned fruit, cured and preserved meats, confectionery, and butter is obtained in the United States, but there is room for further development.

The total exports in 1908 amounted to \$1,943,702, against \$2,993,924 in 1907. In comparison with the exports of 1907 every item, with the exception of beeswax, coffee, and lime juice, showed a decrease. The principal decline was in bananas (871,774 bunches) and cocoanuts. Both articles were much below the average sizes.

Cocoa did not bring as good prices as in the previous year. There is a disease in this and the adjacent districts affecting the trees, causing the pods to rot on them or to fall off. This will probably create a shortage in the next crop or two.

Coffee showed the principal increase in the exports of the year, but the amount exported was comparatively small. The dried berries are exported in bags and tierces to Europe in large quantities from other ports in Jamaica. Different kinds of coffee ground and blended can not be purchased in the island. There is a law in force here prohibiting the importation of coffee into Jamaica from other than British possessions, hence coffee blended in the United States can not be obtained here.

EXPORTS TO THE UNITED STATES.

The total declared value of exports from this consular district to the United States during 1908 was \$1,943,701. The value of the articles during 1907 and 1908 was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bags.....	\$6,642	\$4,024	Fruits and nuts—Cont'd.		
Barrels.....	5,609	343	Grapefruit.....	\$5,415	\$4,058
Beeswax.....		1,066	Oranges.....	60,590	3,688
Boxes.....	4,331	416	Lime juice.....	1,065	1,299
Cocoa.....	65,894	17,422	Skins, goat.....	6,266	4,345
Coffee.....	2,418	6,369	All other articles.....	6,802	840
Dyewoods.....	7,549	3,545			
Fruits and nuts:			Total.....	2,993,924	1,943,701
Bananas.....	2,700,629	1,837,558			
Cocoanuts.....	120,713	58,728			

During 1908-9, 999 clearances were issued at Port Antonio to vessels bound for the United States in the fruit trade. Of this number 126 were American registered. The greater number of the vessels in this trade fly the Norwegian flag.

As a tourist resort Port Antonio continues to be the headquarters for Americans sojourning in the island and is visited by them during the fall and winter months when the large passenger steamers running between New York and Jamaica call at this port on both outward and homeward voyages. A beautiful hotel owned and managed by Americans and accommodating 400 guests is built on a fine site in this town.

The government railway pier at Port Antonio has been extended and enlarged so as to berth at once two vessels of 18 feet draft. The railroad track extends into the building, offering good facilities for quick dispatch in handling cargo. From four to six vessels are partially loaded alongside this dock weekly with bananas grown in the

interior of the country. Beside freight charges for hauling the fruit to the pier, wharfage of 1 cent per bunch is collected for the use of the pier. At Annatto Bay a railway siding has been made, running to the shipping beach. Fruit is taken on this siding for shipment weekly, but from the exposed nature of the anchorage and the boisterous weather that is experienced during autumn and winter it is often impracticable for vessels requiring quick dispatch to load there, as the fruit has to be taken in lighters some distance to the ship and becomes damaged if wet with sea water.

TRINIDAD.

By CONSUL FRANKLIN D. HALE, PORT OF SPAIN.

There were spasmodic interruptions of business activity throughout Trinidad during the fiscal year ended March 31, 1908, the latest period for which figures are available, caused by the occasional breaking out of contagious diseases, which for brief periods and to a certain extent quarantined the island from the rest of the world.

Climatic conditions were generally favorable to all agricultural industries, and the total trade showed a satisfactory increase. The coal deposits and oil fields no doubt will be explored in the near future and will prove another source of wealth to the colony. Cotton growing, which has been a subject of experiment for some years, has not proved successful, although results have been quite favorable in Tobago. The growing of bananas and oranges is proving profitable, and rubber and cedar trees are being extensively planted.

The crown lands are being rapidly disposed of to private ownership and the productive acreage increased.

THE FOREIGN TRADE—PRINCIPAL SOURCES OF IMPORTS.

The imports of foreign produce, including bullion and specie, into Trinidad during the fiscal year ended March 31, 1908, were valued at \$13,068,548, against \$10,848,619 in 1907, and the exports therefrom, including bullion and specie and reexports, for the same years amounted to \$23,238,089 and \$17,039,061, respectively.

The following statement shows the principal articles of import and the amount of each imported into Trinidad from the United States and the United Kingdom, respectively, during the fiscal year ended March 31, 1908:

Articles.	United States.	United Kingdom.	Articles.	United States.	United Kingdom.
Apparel, textiles, etc. value.	\$111,572	\$1,234,182	Clocks and watches.. value.	\$5,695	\$43,802
Ammunition..... do.	\$16,626	\$486	Coal and coke..... tons.	25,242	15,014
Bags, empty..... do.	\$14,131	\$107,255	Confectionery..... value.	\$2,046	\$15,199
Beer, etc..... gallons.	46,553	178,963	Fish..... pounds.	1,067,223	292,495
Books, etc..... value.	\$4,296	\$27,554	Glassware..... do.	9,020	16,907
Breadstuffs:			Haberdashery..... value.	\$811	\$113,373
Bread..... barrels.	3,216	2,037	Hats..... do.	\$5,919	\$84,378
Corn..... bushels.	25,222		Hay, etc..... do.	\$13,739	
Flour..... barrels.	219,625		Instruments, musical. do.	\$1,764	\$6,940
Macaroni, etc. pounds.	7,104	3,265	Iron and steel man u f a c t u r e s..... value.	\$12,440	\$79,546
Meal..... barrels.	8,361	291	Leather, and manufactures of:		
Oats..... bushels.	3,016	14,029	Boots and shoes. value..	\$104,648	\$128,760
Other..... pounds.	493,258	1,306	Leather..... do.....	\$14,074	\$12,261
Carriages..... number.	81				
Cement..... barrels..	3,466	43,535			

Articles.	United States.	United Kingdom.	Articles.	United States.	United Kingdom.
Medicines.....value..	\$27,284	\$35,803	Stationery.....value..	\$4,247	\$33,558
Oils:			Tobacco, and manufactures of:		
Edible.....gallons..	10,739	1,648	Cigars and cigarettes, pounds.....	27,796	12,005
Petroleum.....do..	627,401	7,245	Manufactured.....pounds..	20,182	192,949
Other.....do.....	14,466	27,883	Unmanufactured, pounds.....	559,614	12,429
Oil meal.....pounds..	5,993,270		Vegetables:		
Provisions:			Peas.....value.....	\$24,834	\$5,137
Dairy products—			Potatoes.....do.....	\$6,274	\$17,870
Butter.....do.....	83,614	41,004	Wood, and manufactures of:		
Cheese.....do.....	217,509	27,882	Furniture.....value.....	\$13,122	\$18,511
Milk condensed, value.....	\$456	\$105,019	Hoops.....number.....	396,650	
Meat products—			Shingles.....do.....	7,000	
Lard.....pounds..	1,859,882	982	Shooks.....bundles..	8,868	
Meats.....do.....	6,467,805	239,000	Staves.....number..	690,650	
Oleomargarin, pounds.....	201,825	9,193	Timber.....feet.....	6,568,480	257,035
Slates and tiles.....number..	24,000	3,600			
Soap.....pounds.....	630,299	2,492,716			

The imports into the colony from France during the fiscal year 1907-8 consisted of the following leading articles: Butter, 657,156 pounds; edible oils, 37,612 gallons; vermicelli and macaroni, 70,835 pounds; and wearing apparel, \$15,745. Germany sent \$20,669 worth of condensed milk; 191,600 pounds of sugar; 100,656 feet of lumber; and furniture to the value of \$10,565. The principal articles received from South America were: Cheese, 13,445 pounds; fish, 384,993 pounds; meats, 336,855 pounds; horses, 470; unmanufactured tobacco, 12,429 pounds; and leather valued at \$24,516. From British North America there were received 12,275 pounds of butter, 8,907 pounds of cheese, 162,091 bushels of oats, 168,773 pounds of meat, 5,482,688 pounds of fish, 6,182 barrels of flour, 1,905,743 feet of lumber, 103,750 shingles, and 472,325 staves.

EXPORTS TO THE UNITED STATES AND UNITED KINGDOM.

The leading items of export from Trinidad to the United States and the United Kingdom, respectively, during the fiscal year 1907-8 were as follows:

Articles.	United States.	United Kingdom.
Asphalt.....tons.....	96,024	17,351
Bitters.....gallons.....	10,967	10,555
Cocoa.....hundredweights..	148,778	66,186
Fruits and nuts:		
Bananas.....bunches.....	2,359	61,680
Cocoanuts.....number.....	13,815,817	485,850
Molasses.....gallons.....	3,061	29,201
Oil, coconut.....do.....	10,082	2,201

There were shipments to France during the year amounting to 215,040 hundredweights of cocoa, 12,090 gallons of molasses, and 1,370 tons of asphalt. Germany took 166,250 cocoanuts, 6,006 gallons of bitters, and 7,093 tons of asphalt. The purchases by British North America consisted of 322,200 cocoanuts, and 441,191 gallons of molasses.

The declared value of exports, including specie and returned goods, from Trinidad to the United States in the calendar year 1908 was \$4,261,559, against \$4,537,799 in 1907. The principal items were:

Articles.	1907.	1908.	Articles.	1907.	1908.
Asphalt.....	\$314,518	\$312,967	Metals, old.....	\$10,074	\$5,124
Bitters, Angostura.....	63,101	43,192	Skins, deer.....	3,599	1,793
Cocoa.....	3,424,952	3,540,578	Timber.....	18,944	5,132
Cocoanuts.....	356,228	284,763	All other articles.....	280,945	27,234
Coffee.....		15,553	Total.....	4,515,427	4,237,198
Copalba.....		1,366	Specie.....	2,717	8,605
Gum, balata.....	6,339	3,850	Returned American goods.....	19,655	15,756
Hides, dry.....		3,916			
Lime juice.....	3,942	1,880			
Manjak.....	32,785	14,211	Grand total.....	4,537,799	4,261,559

The total declared exports from the consular agency at Grenada to the United States in 1908 was \$132,198. The principal articles were cocoa worth \$115,090; mace, \$9,095; and nutmegs, \$7,391.

TURKS ISLAND.

By CONSUL JOSEPH A. HOWELLS, GRAND TURK.

The year 1908 was a prosperous one for this colony so far as the production of salt was concerned, as the shipments gave a return of \$16,000 more than in 1907, although sold at 1 to 1½ cents less per bushel. The output in 1908 was 1,749,526 bushels, more than three-fifths of which was taken by the United States. The hurricane of September 10 and 11, 1908, destroyed nearly, if not quite, 30,000 bushels.

The shipments of sisal-grass fiber in 1908 dropped off about one-half from those of 1907, owing to the fact that the East Caicos Company shipped very little, if any, because of the low price. The company has on hand nearly 500 bales ready for shipment when the market will warrant it.

The hurricane played havoc with the sponge fishery, and the exports dropped from \$14,813 in 1907 to \$5,329 in 1908. Sponge and sisal are produced exclusively in this colony on the Caicos Islands.

The outlook for the salt crop of 1909 is very encouraging. More was raked by the last of April than is often raked by the 1st of July. There are three separate sets of salines, Grand Turk, Caicos Islands, and Salt Cay. At Salt Cay no salt was raked by the 1st of May, owing to the fact that during the September hurricane the sea broke over the ponds, breaking down the partition walls, when all had to be started entirely new, and sea water for pickle was not let in until Christmas.

TRADE OF THE COLONY.

The total foreign trade of the colony in 1908 was valued at \$229,520, of which \$109,917 was imports and \$119,603 exports. The trade, by countries, during the year was as follows:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$52,626	\$91,077	Santo Dom'ngo.....	\$1,937	\$560
Bermuda.....	1,105	190	United Kingdom.....	24,931	1,416
Canada.....	13,133	14,288	All other countries.....	467	2,009
Haiti.....	5,868	5,839	Total.....	109,917	119,603
Jamaica.....	9,850	4,224			

The exports of the three principal products of the colony in 1908 were as follows: Salt, 1,749,526 bushels, valued at \$98,187; sisal fiber, 130,285 pounds, \$8,198; and sponges, 431 bales, \$5,329. Of these articles the United States took 1,411,564 bushels of salt, valued at \$80,889; 94,485 pounds of sisal fiber, valued at \$4,859, and all the sponges.

The colony is self-supporting. It receives no financial aid from and pays no tribute to the mother country, England. The receipts from customs duties amounted in 1908 to \$18,152 and from rent of salt ponds and other sources \$17,874. The expenditures included salaries to the amount of \$28,965; public works, \$3,290; and miscellaneous expenses, \$3,898.

Almost every article of food has to be imported into these islands, which accounts for the high price of foodstuffs. Flour sells for \$8 to \$12 a barrel, milk 24 cents a quart, butter 42 to 48 cents a pound, beef and mutton 24 cents a pound, potatoes 4 cents a pound, and onions 8 cents a pound.

DANISH WEST INDIES.

ST. THOMAS.

By CONSUL CHRISTOPHER H. PAYNE, CHARLOTTE AMALIE.

The imports into the island of St. Thomas during the fiscal year ended March 31, 1909, amounted to \$872,387, and in the previous fiscal year \$802,049. The imports, by countries of origin, during the two years are shown in the following table:

Country.	1908.	1909.	Country.	1908.	1909.
United States.....	\$356,076	\$473,186	Netherlands.....	\$13,751	\$10,361
Belgium.....	81	112	South America and Mexico...	15,378	22,926
British North America.....	1,729	1,234	Spain.....	1,769	118
British West Indies.....	51,875	64,727	United Kingdom.....	175,176	155,197
Denmark.....	36,206	40,329	All other countries.....	37,195	35,025
France.....	26,400	13,177			
Germany.....	82,076	55,780	Total.....	802,049	872,387
Italy.....	4,337	215			

The principal articles imported from the United Kingdom during the fiscal year 1908-9 were coal, \$40,825; cotton goods, \$24,849; hardware, \$14,679; "unions," \$14,142; soap, \$5,696; paints, \$4,520; beer and porter, \$3,524; and woolen goods, \$3,367. From British West Indies the leading articles were sugar, \$16,717; rum, \$14,958; cattle, \$10,538; nuts, \$4,054. Germany's principal sales were alcohol, \$9,625; cigars, \$8,685; glassware, \$5,527; rice, \$4,417. Denmark's principal sales were butter, \$9,353; beer and porter, \$9,118; iron, \$8,892; and bricks, \$5,790.

TRADE WITH THE UNITED STATES.

The principal articles and the amount of each imported into St. Thomas from the United States during each of the fiscal years ended March 31, 1908 and 1909, were as follows:

Articles.	1908.	1909.	Articles.	1908.	1909.
Beans and peas.....	\$5,241	\$4,921	Leather.....	\$2,151	\$2,030
Boots and shoes.....	28,429	17,255	Lumber.....	14,932	17,878
Breadstuffs:			Preserves.....	4,769	2,912
Bread.....	1,061	1,956	Provisions:		
Corn.....		6,463	Butter.....		4,080
Corn meal.....	5,099	9,626	Cheese.....	2,082	2,113
Flour, wheat.....	33,528	56,049	Hams.....	4,983	2,888
Coal.....	159,663	238,316	Lard.....	7,589	8,621
Cotton goods.....	2,221	5,424	Oleomargarin.....	4,528	5,910
Drugs and medicines.....		2,449	Pork.....	5,264	4,015
Fish.....	3,014	4,796	Sugar.....	2,201	5,154
Hardware.....	5,181	2,875	Tobacco.....	6,335	6,608

DUTCH WEST INDIES.

CURACAO.

By CONSUL ELIAS H. CHENEY, WILLEMSTAD.

The year 1908 was peculiar by reason of trouble between the Netherlands, the mother country, and this colony's nearest neighbor, Venezuela. A decree was issued prohibiting the transportation of goods between Venezuelan and Curacao ports in vessels of less than 20 tons. As a large portion of the direct commerce between the ports had been carried in vessels of this character, the decree was a blow to one of the colony's chief interests. Twenty or thirty vessels lay idle through the year, in the three islands Curacao, Aruba, and Bonaire. They were all built here, and not only the sea traffic, but also ship-building came to a standstill. A considerable number of laborers were thrown out of work. Only a small number of such vessels could be utilized, and only in the intercolonial trade, as they are too small for longer voyages.

DECREES ISSUED—DECREASED TRADE.

In February, 1908, President Castro issued a decree prohibiting the shipment as seamen at Curacao of laborers to work cargo in Venezuelan ports. It is a custom as old as the calling of steamers at these ports to work cargo aboard, never ashore. It affected American, Dutch, German, and Italian steamship lines unfavorably, and deprived another class of laborers of their only income. In March and April bubonic plague appeared in La Guaira, which place was quarantined.

In May a decree was promulgated prohibiting the transshipment at Curacao of cargo going to or coming out of Venezuela. The steamships were required to leave and take at Puerto Cabello instead. All direct traffic either way was also prohibited. For more than six months no vessel cleared either way.

The American Red "D" line of steamships withdrew its two largest ships, both for quarantine and business reasons. Nearly all the best paid labor of the islands was out of work.

Curacao is, in fact, little more than a port of transshipment. All the leading stores were carrying considerable goods ordered with the expectation of selling to Venezuelan comers. These goods were deteriorating in value and found no sale. The natives had nothing with which to buy more than the absolute necessities of life, and large numbers not even that. The straw-hat industry, which had

grown in the last few years to be the island's greatest industry next to transshipping, dwindled to almost nothing by the failure of demand and the impossibility of procuring straw, which came from Venezuela. Five or six cents a day was all that a woman could earn. Aside from other problems, the colonial government had a serious industrial question to solve. The home government made an appropriation for the relief of the island; also the arrival of warships, Dutch and American, put a little money in circulation.

FAILURE OF CROPS—QUARANTINE:

Meantime the rainfall for the first seven months of 1908 was only 3.97 inches. Water became very scarce and expensive. People by hundreds were begging daily for water. The crops sown and planted in the autumn of 1907 were a total failure and loss. Sheep, goats, donkeys, and cattle were dying of hunger and thirst. Meat, fruit, and vegetables had been supplied mostly from Venezuela. Now the colony had to turn to Colombia for supplies, which increased the price when they came. For months not an orange was on sale. Meat went up 33 per cent, and corn meal, flour, sugar, and coffee all rose in price. Meantime, too, the government had already perfected and adopted an entirely new system of taxes, import and otherwise. It was prepared by officials sent out from Netherlands, with a view to diminish annual deficits in colonial receipts.

Quarantines against Curacao by the outside world, but especially by Porto Rico and Colon, on account of its proximity to Venezuela and a fear that it had not adequately protected itself against the possibility of the entrance of plague, still further turned steamships away. They called seldom and transacted little business when they did call.

The first rift in the cloud came when rain began to fall in the latter part of September. It continued fully five months; a little overabundant in October and December; enough, all the time to keep the whole island green. The same is true of Bonaire and Aruba. A worm, coming over on a south wind from Venezuela, in butterfly form, affected the corn while yet very tender. The colonial government took prompt measures with this danger, as it did with rats when it became known that rats carry plague. It practically exterminated both rats and worms by offering bounties. The best corn crop since 1901 is all ready to harvest. Vegetables, melons, and the local fruits were abundant. Grass is plentiful and a good deal has been cut and stored. Barns are full and great stacks of cornstalks will be saved for the possible coming "lean years." Therefore nature has smiled on Curacao at the end of 1908 and the early part of 1909.

ATTEMPT AT RESCINDING OF EXTRA DUTY—HEALTH OF COLONY.

Curacao again hopes for the most friendly business relations with Venezuela. It is attempting to secure the rescinding of the extra 30 per cent duty for many years imposed by Venezuela on imports from the West Indies, which affects Curacao chiefly. It is difficult to foresee any considerable future to Curacao unless a material modification of that duty can be secured. To prosper, Curacao, it seems,

must have substantially a free and open door into Venezuela on equal footing with other countries. Thus only can it secure the natural advantage of its position, to which it feels entitled. Already, however, many of the idle vessels are again in commission, taking small cargoes to Venezuela, and bringing wood, divi-divi, hides, and skins here to be reshipped. The shipments of the present month (February, 1909) will be nearly or quite double those of any other recent month, judging by the number of invoices certified.

The revised revenue code was completed during the year, and took effect on January 1, 1909. Every old revenue law was repealed, and an entire new code takes their place.

The sea water condensing plant is not yet in operation, but the plans are completed, borings are being made to find the best location, and operations will soon begin.

The health of the island has continued good. A case of yellow fever was imported from Venezuela in August. The patient was quarantined in hospital, treated by modern methods, but died. No other case resulted. A very mild case of what was pronounced yellow fever developed among the newly arrived troops in the barracks in December. The recovery was so quick that doubt now exists whether it was real yellow fever.

WHAT THE COLONY BUYS.

The total imports into the colony in 1908 were valued at \$1,464,420, the quantity and value of the principal items being as follows:

Articles.	Quantity.	Value.	Articles.	Quantity.	Value.
Animals:			Paints.		\$7,523
Cattle.....head..	820	\$15,792	Provisions:		
Goats.....do.....	5,204	4,163	Butter.....pounds..	70,950	13,384
Horses.....do.....	71	2,940	Cheese.....do.....	119,458	12,603
Sheep.....do.....	844	1,024	Lard.....do.....	181,936	11,168
Bags.....pounds..	318,507	22,332	Meat, salted.....do...	379,116	16,384
Breadstuffs:			Porkheads.....do...	215,259	4,086
Biscuits.....do.....	695,271	18,597	Rice.....do.....	180,490	3,578
Corn.....bushels..	9,296	6,353	Soap.....do.....	206,534	5,847
Flour, wheat, pounds.	3,645,686	75,302	Spirits, wines, and malt		
Meal.....bushels..	45,957	35,302	Liquors:		
Candles.....pounds.	35,629	4,097	Beer.....gallons..	21,618	10,125
Canned goods.....do...	214,185	27,206	Gln.....do.....	71,692	24,934
Cards, playing.....packs.	77,633	2,050	Rum.....do.....	75,394	23,329
Cement.....pounds..	1,477,654	1,209	Whisky.....do.....	1,951	3,417
Charcoal.....bags..	46,692	5,892	Wine.....do.....	9,697	10,441
Clothing.....bales..	1,591	3,540	Sugar.....pounds..	2,138,659	63,828
Coal.....tons.....	36,661	100,730	Vegetables:		
Coffee.....pounds..	379,711	20,885	Beans and peas,		
Divi-divi.....do....	6,164,858	56,024	pounds.....	331,971	6,563
Fish:			Potatoes.....bushels..	16,800	9,506
Cod.....do.....	58,048	3,090	Tobacco, cigars, etc.:		
Salted.....do.....	1,224,960	2,993	Raw.....pounds..	23,448	2,838
Fruit, preserved.....do...	31,918	3,141	Manufactured.....do...	171,373	20,028
Groceries.....packages.	23,039	514,636	Cigars.....do.....		16,809
Glass and earthenware		9,822	Cigarettes.....packages.	2,063,830	43,028
Hats, straw.....dozen.	4,179	7,334	Wood, and manufactures		
Hides and skins.....pounds.	382,034	10,061	of:		
Iron and steel, manufac-		3,028	Furniture.....pieces..	8,469	9,825
tures of.....			Mahogany, etc.,		
Leather, and manufac-			pounds.....	2,948,848	13,372
tures of:			All other articles.		117,420
Unmanufactured.....		13,650			
Shoes.....pairs.....	18,451	14,344	Total.		1,464,420
Matches.....gross..	12,267	3,139			
Oils:					
Kerosene.....gallons..	121,025	15,262			
Linseed.....do.....	5,535	2,914			
Other.....do.....	11,235	7,523			

EXPORTS TO THE UNITED STATES.

The value of the exports declared at Curacao to the United States in 1908 was \$216,074. The articles were as follows:

Articles.	Value.	Articles.	Value.
Aloes.....	\$3,310	Wood:	
Beeswax.....	541	Box.....	\$6,625
Coffee.....	12,237	Lignum-vitæ.....	9,195
Coins, old gold.....	1,280	Log.....	3,310
Guano.....	18,250	Other.....	2,659
Hats, straw.....	22,879	All other articles.....	1,135
Hides.....	5,267	Total.....	214,752
Mangrove bark.....	13,042	Returned American goods.....	1,322
Phosphate.....	12,090		
Salt.....	2,010	Grand total.....	216,074
Skins.....	100,922		

The declared value of the exports from the Bonaire agency to the United States in 1908 was \$10,190. The exports consisted of the following articles: Salt, worth \$6,702; goat skins, \$2,590; donkeys, \$578; divi-divi, \$192; and cattle, \$128.

FRENCH WEST INDIES.

GUADELOUPE.

By CONSUL JOSEPH M. AUTHIER, BASSE-TERRE.

In spite of the ravages caused by the cyclone of September 25, 1908, the economical and financial situation of Guadeloupe this year is comparatively satisfactory. From an examination of the customs revenues and the general business of this island during 1908 an important improvement is observed. The revenue of the customs service at the end of November, 1908, has given a surplus in the receipts of about 100,000 francs (franc = 19.3 cents) over the estimate of the budget, and of 80,000 francs in comparison with the receipts realized in 1907. The commercial movement has been active. The imports and exports for 1908 exceeded those of 1907 by about 600,000 francs.

Sugar cane has been the principal source of revenue, but owing to the increase of the beet-sugar production in other countries the colonists have been obliged to start the culture of coffee, cocoa, and vanilla beans, and the production of rum. In general the sugar produced is the white crystallized variety. There are but two factories producing brown sugar. The factories have adopted an economical and scientific method of labor, and new machinery will soon be introduced.

The price paid during 1908 by the sugar manufacturers to the planters was 10 francs per ton for cane delivered at the wharves of the factories. Such a price is certainly small, but the value of the sugar on hand and the poor quality of the canes prevented the sugar manufacturers from paying a higher price.

CULTIVATION OF SUGAR CANE.

The cultivation of the cane requires particular care, as the plowing, planting, weeding, manuring, cleaning, stripping, and cutting all

must be done in due time. Proper attention must be given to the cleaning of the young cane plants so as to rid them of all grass and injurious insects, which are most disastrous to their growth.

The cane cultivation comprises planted canes and sprouts. The stocks for sprouts used to be carefully preserved for many years, and it is said that some were maintained in very good condition for from fifteen to twenty years; but now it has been learned that they should not be used after sprouting the third time, owing to the impoverishment of the soil in humus, also to the difficulty of maintaining the humus by using farm manure. The manure most suitable for the sugar cane is farm manure, but as the number of animals raised and used on the sugar estates is very small, they do not furnish sufficient, so the sugar planters are compelled to have recourse to artificial fertilizers of all sorts.

The total quantity of white sugar produced by the sugar factories in the districts of Basse-Terre and Grande-Terre during 1908 amounted to 37,950 tons, valued at \$1,977,671. The total value of white rum produced was \$395,534, and the molasses was valued at \$296,843.

Several sugar plantations being at a too great distance to transport their canes to the sugar factories produce a homemade or habitation rum, to distinguish it from the usine (factory) rum. Habitation rum is made from the pure cane juice (also called liquor or vesou); it is an exquisite rum, its odor showing at once its purity, known often under the name of tafia when aged in the wood. The usine rum, on the contrary, is manufactured from the residue remaining after crystallized sugar has been extracted from the cane juice.

IMPORTS AND EXPORTS—TRANSPORTATION.

The following statement shows the value of the imports into and exports from Guadeloupe during 1907 and 1908, respectively:

Country.	1907.		1908.	
	Imports.	Exports.	Imports.	Exports.
United States.....	\$656,779	\$43,739	\$652,589	\$54,417
France.....	1,669,105	3,026,202	1,949,099	3,188,837
French colonies.....	37,053	81,177	84,633	109,740
Other countries.....	285,226	16,012	223,444	16,992
Total.....	2,648,163	3,167,130	2,909,765	3,369,986

The declared value of exports to the United States, including returned American goods valued at \$163, in 1908 was \$56,392, the principal articles being: Bay leaves, \$3,186; bay oil, \$2,696; dried goatskins, \$262; turtle shells, \$453; vanilla beans, \$48,102; vetiver roots, \$1,420; and other articles, \$110.

The sugar factories are all connected with their cane fields by steam railway. Some also have a system of small tugboats for the purpose of towing directly to the factories their numerous large iron lighters, each of which can hold from 20 to 30 tons of sugar cane.

All the sugar from the factories is shipped at Pointe-a-Pitre on cargo boats belonging to the French Transatlantic Company, this line

being specially freighted, by contract, for this transportation. Formerly sailing vessels, varying from 300 to 400 tons, called at the ports of Moule, Sainte Anne, and Saint François, and carried to Europe all cargoes of sugar as well as those of rum, but as these ports have poor harbors, the sugar planters have lately decided to send all their products to Pointe-a-Pitre, where they can be safely embarked. Owing to this new system the Transatlantic Company has put on two small cargo boats of about 350 tons each, which constantly run to the ports of Moule, Sainte Anne, and Saint François and transport all the products from those places to the large ocean cargo boats in the harbor of Pointe-a-Pitre.

The proposal for the Grande-Terre Railroad has been studied in all its phases, as it is of economic interest to not only Grande-Terre, but also the whole colony of Guadeloupe. It is important that the sugar of the interior of Grande-Terre be sent to Pointe-a-Pitre without difficulty, and that can be done only by railway. When the railway system is established the entire production of the island can be brought directly to the wharves which the Transatlantic Company is to build as soon as this port is put in readiness.

The sugar factories of Beauport, Duval, Blanchet, Gardelle, Duchassaing, Sainte-Marthe, Gentilly, and Courcelles will give all their sugar crops to the Grande-Terre Railway for delivery upon the wharves of Pointe-a-Pitre, thus avoiding an expensive and long delay in the transportation of their products. These factories are important and desire to extend their business. The railway will also open up that marvelous zone of the lowlands so rich in humus.

MARTINIQUE.

By CONSUL GEORGE B. ANDERSON, FORT DE FRANCE.

France is the principal foreign market of the chief products of Martinique, no articles being exported in considerable quantities to any other country. The chief articles exported are sugar, rum, and cacao, but none of the exports goes to the United States.

The French Government gives to colonial sugar manufacturers a rebate for sea transportation, which is about equal to the freight charges from a colonial port to a French port. This is equivalent to paying a small bounty on colonial-grown sugar. Almost the entire output of rum and all the cacao grown in Martinique go to France, owing to the fact that foreign rum pays a higher duty and that there is a differential duty of 50 per cent in favor of cacao raised in the French colonies.

TRADE CONDITIONS AND CROPS.

There was an increase of \$346,031 in the exports from Martinique during 1908, but the imports decreased \$109,857. The reexports are articles coming chiefly from France and her colonies. A decrease in the exports of cacao was due to short crops in spite of high prices.

There was an unusually large crop of sugar cane gathered in 1908, which explains the increase which took place in the exports of sugar as well as the corresponding increase of its by-product, rum. Another cause is that several of the 15 factories of the island have introduced improved machinery.

The small annual export of coffee from Martinique goes to two or three firms in France, who make a specialty of colonial coffee. Not enough is grown here to supply the needs of the population. In the last two years about \$56,000 worth was imported for local consumption.

Coffee, which in the early part of the nineteenth century was one of the most important crops grown in this island (in 1827 more than 2,000,000 pounds were exported), has steadily decreased in cultivation till at the present time the amount raised is insignificant. About 50 years ago, when it was one of the staple products of the island, the plants were almost completely destroyed by disease. There are now no plantations in Martinique, and only small quantities are grown in a few gardens in the canton of Vauclin.

IMPORTS AND EXPORTS.

The following table shows the exports from Martinique for 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cacao.....	\$240,600	\$216,218	Skins.....	\$15,250	\$9,453
Cassia.....	4,356	7,644	Sugar.....	1,806,667	2,049,394
Coffee.....	4,436	2,911	All other articles.....	18,914	24,509
Mosses.....	6,020	9,511	Total.....	3,193,546	3,539,577
Rum.....	1,095,213	1,219,937			

The imports into Martinique from the United States, France, and all other countries, by articles, during 1907 and 1908, respectively, were as follows:

Articles.	1907.			1908.		
	United States.	France.	Other countries.	United States.	France.	Other countries.
Animals: Mules.....	\$8,438	\$123		\$10,171	\$28	
Beans and peas.....	13,474	14,602	\$1,201	10,561	9,858	\$1,628
Breadstuffs:						
Corn.....	17,526	5,485		11,878	2,020	
Flour.....	189,805	70,217		212,381	41,437	
Coal.....	240,099	2,192	19,592	195,398	3,192	31,609
Codfish.....		145,629			191,521	
Fertilizers.....	53,389	1,946	196,336	62,228	30,617	202,874
Leather.....	405	68,476	541	501	59,716	21
Machinery and tools.....	9,826	182,057	12,357	16,224	166,341	8,290
Metals.....	299	69,608	2,563	654	62,461	1,098
Oils:						
Cotton-seed.....	102,485			98,232	5,870	
Heavy.....	497	6,081	1,967	936	1,698	373
Kerosene.....	22,567	426		28,908	72	306
Paper, common.....	221	20,710	36	103	16,259	60
Provisions:						
Beef, salted.....	32,607		38	12,524	16	4
Butter.....	3,689	3,735	2,150	2,856	4,679	1,400
Lard.....	63,078	852	665	49,232	548	
Oleomargarin.....	8,929	190		8,573	477	
Pork, salted.....	14,744	176		15,048	51	21
Rice.....	1,581	84,340	10,200	45	75,820	9,411
Soap, laundry.....		31,019	6,294		26,205	5,406
Textiles.....	1,514	301,360	13,847	1,394	221,744	27,796
Tobacco, leaf.....	5,360	681	3,115	13,340	1,038	52
Wood, manufactures of:						
Lumber.....	67,512	7,503	5,457	73,932	6,745	1,939
Shooks.....	106,669	5,400	1,502	100,487	6,113	18
Staves.....	44,701			55,045	2,041	154
All other articles.....	23,953	661,354	42,006	23,578	610,554	82,530
Total.....	1,033,368	1,683,962	318,867	1,004,229	1,547,121	374,990

IMPORTS FROM THE UNITED STATES.

The increase in the imports of leaf tobacco from the United States in 1908 is explained by the fact that a large stock was received by merchants here prior to the new regulations of May, 1908. These regulations forced the one American tobacco company here to close its factory. Almost its entire stock of American leaf tobacco imported in 1908 was subsequently reexported.

The duty on codfish being prohibitive all imports of this article are from the French colony of St. Pierre-Miquelon, coming either directly or by way of France. At different times in late years, owing to the high price of codfish imposed by the French codfish trust of Paris, the legislative council of Martinique has requested the French Government to lower the duty and once asked for the free entry of foreign codfish, but the French colonial office refused to grant this request.

When the price of codfish is high there is an increased importation of salt beef from the United States, but when codfish is low in price the importation of salt beef falls off. The total imports of codfish in 1907 were valued at \$145,629, against \$191,521 in 1908, while the total imports of salt beef in 1907 were valued at \$32,645, against \$12,544 in 1908.

The duty on burlap bags is prohibitive. In the last few years the legislative council of Martinique has frequently asked for the free entry of burlap bags, but the French colonial department refused to grant the request.

DECLINE IN IMPORTS OF COAL, SHOOKS, AND LARD.

During the continuance of the yellow fever epidemic in Martinique the Compagnie Générale Transatlantique coaled its vessels at St. Lucia and in consequence imported much less coal from the United States. That is why the imports of coal from the United States in 1908 were less than in 1907.

The only leather imported from the United States is used for carriage tops and trimmings. Shoe leather and all kinds of leather goods are imported from France.

Sugar shooks were formerly imported from the United States in large quantities, but there has been a falling off in these imports of late years because the sugar factories here are now shipping their sugar in bags imported from France.

The importations of rum shooks from the United States will greatly decrease in the next few years because of the competition of the steam cooperage works of Martinique recently established.

For many years previous to February, 1908, lard compound was imported in large quantities from the United States, but the attention of the custom-house authorities of Martinique having been drawn to the fact that lard compound was not lard at all, but simply a mixture of beef fat and vegetable oil, called in the French customs tariff "alimentary grease," upon which there is a prohibitive duty, importations of this article from the United States have entirely ceased.

HAITI.

CAPE HAITIEN.

By CONSUL LEMUEL W. LIVINGSTON.

The only appreciable change in the commercial movements of this consular district during the year 1908 was a distinct falling off in the volume of imports, due to the increased depreciation of Haitian currency and a shortage in the new coffee crop, the effect of which was felt toward the close of the year. The continued new issues of paper and nickel currency, without guaranty, pushed the Haitian gourde down to a gold value of 10 cents, and the prices of imported merchandise became so high that even those in comparatively easy circumstances whose incomes are in the native currency abstained from purchasing all but the barest necessities. Sales therefore became so small that general complaints were heard among local merchants, and some became so discouraged that they even hinted at the possibility of being forced to abandon the struggle. Since December, however, confidence has been in a measure restored, exchange has dropped about one-half, and the future looks more promising.

Imports from the United States do not suffer so much as those from Europe during these seasons of depression owing to their indispensable character. American flour, lard, pork, codfish, hams, herring, etc., are necessities and can not be dispensed with so easily as the wines, crockery, perfumes, and fancy wearing apparel imported from Europe. The proportion of cotton goods imported from the United States has increased during the hard times, because they have proven themselves to be the most durable and therefore the most economical.

The declared value of exports from Cape Haitiien to the United States during 1908 was \$32,099, the articles being: Coffee, \$5,828; goatskins, \$20,626; logwood roots, \$5,531; and wax, \$114.

GONAIVES AGENCY.

By CONSULAR AGENT J. WILLIAM WOEL.

The trade between this district and the United States in 1908 showed a decrease, due chiefly to the premium on gold, which reached \$10 Haitian currency for \$1 gold.

The value of the imports into Gonaives from the United States during 1908 was \$100,643. They consisted of the following articles: Flour, \$31,310; lard, \$30,600; pork, \$25,580; butter, \$5,640; codfish, \$3,744; alewives, \$1,524; hams, \$1,680; mackerel, \$375; and beer, \$190.

The declared value of the exports from Gonaives to the United States during 1907 and 1908 was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beeswax.....	\$413	\$906	Logwood.....	\$44,333	\$8,601
Coffee.....	154	12,645	Logwood roots.....	11,643	5,395
Copper:			Shellac.....	279	436
Old.....	666		Shells.....	108	243
Ore.....		906	Sisal grass.....	200	
Goatskins.....	9,601	9,139	Total.....	72,808	44,772
Fustic.....	298	32			
Lignum-vitæ.....	5,113	6,469			

Honey culture was introduced during the year into this district, and owing to its success honey will be largely exported to the United States in the future.

PORT DE PAIX AGENCY.

By CONSULAR AGENT CARL ABEGG.

Business in general has shown no improvement during 1908, and there has been little opportunity to develop the natural resources of the country. In this agency district the imports from the United States decreased, while those from Europe increased. The principal articles imported from Europe are coffee bags, corrugated iron, wine, beer, and safety matches. No lumber was imported in 1908, as the builders find stone and mortar cheaper, besides insuring less danger of fire.

There was an increase in the shipments of cedar wood, cocoa, and coffee to Europe. No coffee was exported to the United States, and but a small amount of cocoa. Exports of logwood decreased, owing to the poor prices offered by foreign buyers. The wood is becoming scarce in this section.

COTTON CULTIVATION—IMPORTS AND EXPORTS.

Efforts have been made to plant cotton in this region, and a few bales have been exported to Europe. The immediate neighborhood of Port de Paix is too damp for cotton plantations, but there are immense tracts of uncultivated land west and southwest of the town very suitable for the cultivation of cotton, and the winter rains do not extend over 10 miles from the city in those directions.

The wild bees have been destroyed to a great extent, and wax is becoming scarce on account of the heedless system of gathering wax. Several private parties have established apiaries on a small scale and have exported samples of honey to Europe.

The total value of imports into Port de Paix in 1908 was \$159,176, of which \$151,039 was from the United States and \$8,137 from Europe. The total exports in the same year amounted to \$207,238, of which Europe took articles valued at \$168,175 and the United States \$39,063. The principal articles shipped to Europe were: Coffee, \$95,350; cocoa, \$34,550; logwood, \$24,055; wax, \$4,930; cedar wood, \$2,960, and cotton, \$2,750.

The declared value of the exports from Port de Paix to the United States during 1907 and 1908, respectively, is shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cocoa.....	\$11,271	\$5,261	Wax.....	\$2,479	\$517
Skins.....	7,862	3,528	All other.....	8,519	306
Wood:			Total.....	86,245	39,063
Cedar.....	1,146	1,093			
Lignum-vitæ.....	13,744	944			
Logwood.....	41,224	27,412			

PORT-AU-PRINCE.

By CONSUL JOHN B. TERRES.

Speculation by a few brokers caused the rate of exchange to reach \$10.40 for \$1 American currency during the year, but this has been gradually reduced to \$5.25 and pending legislation will doubtless put a stop to this speculative practice. Paper money to the amount of \$533,827 was withdrawn from circulation and burned during the year, and between \$60,000 and \$70,000 continues to be withdrawn each month, which will also have a good effect in reducing the rate of exchange.

Notwithstanding unsteady monetary conditions, imports from the United States showed an increase of \$223,635 over those of 1907. The tables of imports do not include many of the items, such as railroad supplies and machinery of various kinds, the most of which is imported from the United States and which enters free of duty. The imports from England for 1908 showed an increase of \$46,923; from France a decrease of \$52,113, and from Germany a decrease of \$11,522. In American provisions there was a considerable increase and many new articles were added to the list. Dry goods, hardware, drugs and druggists' sundries, paints and oils, and furniture all showed increases. Glass and tableware do not compare so favorably, because of the heavy breakage in transit due to improper packing by American exporters. Germany and France lead in this class of goods, the imports being of an ordinary kind and low priced, but the styles seem to meet popular demand.

There appears to be a great desire on the part of the present administration to encourage all kinds of agricultural development, which, together with concessions granted for the construction of railroads, wharves, and electric plants and for the development of mines, will tend very much to augment the imports from the United States, as all of the supplies required will be purchased there.

LARGE IMPORTS FROM THE UNITED STATES.

Of the total imports into Haiti, amounting to \$4,701,161, the United States supplied \$3,316,827; England, \$466,836; France, \$552,461; Germany, \$134,075; and all other countries, \$230,962. The American imports included:

Articles.	Quantity.	Articles.	Quantity.
Coal, hard and soft..... tons..	1,810	Provisions—Continued.	
Lumber:		Soap, laundry..... pounds..	4,877,034
Pitch pine..... feet..	2,086,936	Sugar, cut loaf..... do.....	879,607
Shingles..... number..	28,500	Tallow..... do.....	42,672
Oils:		Skins, tanned..... dozen..	1,680
Cotton seed..... gallons..	6,755	Textiles:	
Harness..... do.....	48	Calico prints..... yards..	1,182,900
Kerosene..... do.....	619,755	Cotton cloth—	
Lard..... do.....	1,089	White..... do.....	2,750,278
Lined..... do.....	12,445	Unbleached..... do.....	2,285,225
Machine..... do.....	2,575	Checks..... do.....	22,020,550
Olive..... do.....	124	Denims..... do.....	2,029,422
Sperm..... do.....	60	Drills..... do.....	1,883,998
Provisions:		Nankinets..... do.....	2,071,126
Butter..... pounds..	440,356	Tobacco..... pounds..	763,544
Flour..... barrels..	132,213		
Lard..... pounds..	2,804,080		
Meats—			
Salt beef..... barrels..	1,962		
Salt pork..... do.....	9,510		
Hogs' heads, pickled..... do.....	3,189		

Exports from the district for 1908 showed a decrease in shipments of dye woods, owing to low prices in the United States and Europe. There were also less cotton, cotton seeds, honey, and castor-oil beans exported. The declared value of exports to the United States from Port-au-Prince and the agencies at Aux Cayes and Jeremie was as follows:

Articles.	Port-au-Prince.	Aux Cayes.	Jeremie.	Articles.	Port-au-Prince.	Aux Cayes.	Jeremie.
Beeswax.....	\$2,677	\$3,632	\$1,250	Specie, Haitien....	\$941	\$3,935	.....
Cocoa.....	449	2,513	88,377	Wood:			
Coffee.....	4,571	910	.....	Fustic.....	2,145	.....	.....
Copper and brass, old.....	755	85	.....	Lignum-vitæ.....	6,096	1,525	.....
Goatskins.....	29,830	8,123	8,949	Logwood.....	18,365	2,850	.....
Gum guaiac.....	1,689	.....	.....	Mahogany.....	68	.....	\$40
Honey.....	1,848	448	.....	All other articles.....	135	.....	1,054
Shell.....	168	1,238	150	Total.....	70,337	25,259	99,820

DOMINICAN REPUBLIC.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL FENTON R. MCCREERY, SANTO DOMINGO.

The exports from the Dominican Republic in 1908 were valued at \$9,486,344, an increase of \$1,847,908 over 1907. The imports were valued at \$5,127,463, a decrease of \$71,342.

As the exports are in the main agricultural products the increase in their value indicates an increased production during 1908. The price of cocoa was lower than in 1907, as was the price of tobacco. Sugar commanded a higher price. The increase in the quantity of Dominican products exported was considerable. More land was planted and more labor employed. The purchasing capacity of the country is increasing.

DISTRIBUTION OF IMPORTS.

The imports from the United States amounted in value to \$2,891,722, or 56.4 per cent of the total for 1908. Germany supplied 16.9 per cent of the imports, the principal items being rice of foreign production, valued at \$341,165; provisions, \$95,713; cotton goods, \$87,632; malt liquors, \$56,269; fiber manufactures, \$38,953; iron and steel manufactures, \$40,085; earthen, stone, and china ware, \$29,717; and agricultural implements, \$18,329.

The United Kingdom came third with 15.3 per cent of the imports, the leading articles being cotton manufactures worth \$466,031; iron and steel manufactures, \$167,130; fiber manufactures, \$80,992; and woolen goods, \$21,823.

The imports, by countries, during 1908 were as follows:

Country.	Value.	Country.	Value.
United States.....	\$2,891,722	Porto Rico.....	\$72,983
Belgium.....	3,356	Spain.....	123,194
Cuba.....	3,772	United Kingdom.....	788,621
France.....	212,002	All other countries.....	47,156
Germany.....	868,230	Total.....	5,127,463
Italy.....	116,428		

The imports from the United States in 1908 were valued at \$2,891,722, an increase of \$28,013 over 1907. The articles and their values are shown in the following table:

Articles.	Value.	Articles.	Value.
Agricultural implements.....	\$15,085	Leather and leather goods.....	\$87,187
Animals:		Malt liquors.....	5,064
Horses and mules.....	825	Metals, and manufactures of, n. e. s.....	18,480
Other.....	352	Oils.....	214,147
Books, maps, etc.....	4,569	Paints, pigments, and colors.....	10,461
Breadstuffs:		Paper, and manufactures of.....	16,557
Flour, wheat.....	303,096	Perfumery and cosmetics.....	2,636
Other.....	26,788	Provisions.....	113,373
Chemicals, drugs, and dyes.....	65,072	Rice.....	3,680
Coal.....	31,569	Rubber goods.....	6,295
Cotton, manufactures of.....	504,646	Soap.....	60,883
Earthen, stone, and china ware.....	1,251	Sugar and confectionery.....	95,969
Fibers, vegetable, manufactures of.....	66,256	Umbrellas and canes.....	508
Fish and fish products.....	113,086	Vegetables.....	18,827
Fruits and nuts.....	5,164	Vehicles.....	29,151
Glass and glassware.....	15,044	Wines, liquors, etc.....	648
Gold and silver currency.....	358,688	Wood, and manufactures of.....	137,982
Grease.....	36,235	Wool, and manufactures of.....	2,116
Gums and resins.....	15,282	All other articles.....	90,568
Hats and caps.....	2,919		
Iron and steel, manufactures of.....	386,994	Total.....	2,891,722
Jewelry, watches, and clocks.....	6,250		

WHAT THE REPUBLIC SELLS.

Of the total exports amounting to \$9,486,344 during 1908, \$4,212,449 went to the United States, or \$883,431 more than in 1907. This was due mainly to the increase in the production and advance in the price of sugar, of which the United States purchased \$3,079,162 worth, only \$13,267 less than the total of this article exported.

Germany purchased \$7,840 more than the United States, or 44.49 per cent of the exports from the Republic, an increase of \$1,470,665 over 1907. Cocoa was purchased by Germany to the value of \$2,895,630; tobacco, nearly the total export, \$1,260,335; coffee, \$142,448; wax, \$86,613, and hides and skins, \$64,784.

France came third on the list of buyers, the principal purchases being cocoa valued at \$735,239; coffee, \$124,180, and tobacco, \$19,932.

The destination of the exports, by countries, was as follows:

Country.	Value.	Country.	Value.
United States.....	\$4,212,449	Spain.....	\$339
Cuba.....	26,105	United Kingdom.....	20,038
France.....	907,898	All other countries.....	66,002
Germany.....	4,220,298		
Italy.....	13,268	Total.....	9,486,344
Porto Rico.....	19,955		

The exports to the United States for the past year are shown in detail as follows:

Articles.	Value.	Articles.	Value.
Bananas.....	\$234,000	Tobacco, and manufactures of.....	\$21,449
Cacao.....	637,946	Wax.....	11,665
Chemicals, drugs, and dyes, materials for.....	16,561	Wood:	
Coffee.....	27,621	Mahogany.....	6,967
Currency (United States).....	89,857	Lignum-vita.....	6,873
Gums and resins.....	3,940	Other.....	11,668
Hides and skins.....	53,907	All other articles.....	10,803
Sugar, raw.....	3,079,162	Total.....	4,212,449

TRADE OPPORTUNITIES—DEVELOPMENT AND PROGRESS.

The aggregate foreign trade of the Republic has risen from \$9,992,361 in 1905 to \$14,613,807 in 1908. This is a market growing in importance and worthy the attention of American commercial houses. Slight effort has been made by American firms to extend trade in this country. Traveling salesmen should be sent who speak Spanish and who will remain a sufficient time to establish personal relations with buyers and to understand the exact requirements of Dominicans. Since they are accustomed to a certain shaped ax, for example, it is not probable that Dominicans will purchase another shape.

With 56.4 per cent of the imports coming from the United States with little effort and with regular steamers plying directly to American ports, it is apparent that an effort would bring about an increase of American trade. As the vast natural resources of the Republic are developed the market must constantly increase. Capital is being attracted by the natural resources of the country, and increased interest in its mineral and timber riches is apparent.

The Government is maturing its plans for public works which will aid in the development of the unexploited resources of the Republic. Among those already undertaken are the making of roads, the construction of irrigation systems, and the improvement and extension of the government railroad. The department of agriculture labors to improve the quality of products and agricultural methods. A government wireless station has been established.

In the city of Santo Domingo streets have been greatly improved, sewers laid, and public buildings repaired and enlarged. The mouth of the Ozama River has been dredged and vessels now unload at the wharves.

TRADE OF THE PORT OF SANTO DOMINGO.

The value of the exports declared at the port of Santo Domingo and agencies to the United States in 1908 was \$3,293,406. Of this amount Santo Domingo supplied articles worth \$544,446, and the agencies of Azua, Macoris, and Sanchez, \$286,854, \$1,155,865, and \$1,306,241, respectively. The articles and values were as follows:

Articles.	Value.	Articles.	Value.
SANTO DOMINGO.		AZUA.	
Cacao.....	\$35,201	Coffee.....	\$8,961
Cacao ^a	137,620	Gum.....	5,820
Coffee.....	961	Hides and skins.....	13,480
Coffee ^a	32,859	Honey.....	3,538
Hides and skins.....	4,020	Sugar.....	228,500
Hides and skins ^a	60	Wax.....	5,109
Honey.....	7,608	Wood.....	
Sugar.....	265,018	Lignum-vitæ.....	4,836
Sugar ^a	2,029	Mahogany.....	4,427
Tortoise shell.....	510	Walnut.....	1,024
Wax.....	153	Other.....	1,958
Wax ^a	50,435	All other articles.....	9,201
All other articles.....	7,872		
Total.....	544,446	Total.....	286,854

^a Declared for reshipment to Europe.

Articles.	Value.	Articles.	Value.
MACORIS.		SANCHEZ—continued.	
Cacao.....	\$83,520	Hides and skins.....	\$2,955
Mahogany.....	6,940	Wax.....	3,535
Sugar.....	1,065,101	Wood.....	3,919
All other articles.....	304	All other articles.....	250
Total.....	1,155,865	Total.....	1,306,241
SANCHEZ.		Grand total.....	
Cacao.....	1,294,036		3,293,406
Coffee.....	1,543		

There were also shipped from the port of Santo Domingo to Porto Rico in 1908 articles valued at \$7,834. The leading items were: Cane worth \$1,433; sole leather, \$5,485; hides, \$671; and mahogany, \$220.

PUERTO PLATA.

By CONSUL RALPH J. TOTTEN.

The total foreign trade of Puerto Plata for 1908 was \$4,202,547. This was a gain of \$512,264 over 1907, when the total was \$3,690,283. The share of the United States of the total trade in 1908 was \$1,815,768. The total exports in 1908 were \$2,600,005, as compared with \$2,072,631 in 1907, a gain of \$527,374. Of this amount the United States took \$923,638, or 35 per cent of the total. This was an increase of \$303,143 over the exports to the United States in 1907.

Cacao, the principal article of export to both American and European markets, shows a marked increase, this port alone shipping 11,112,929 pounds, valued at \$1,198,298. This exceeded the shipments of 1907 by 5,820,943 pounds.

Tobacco, which has the second place in the exports, showed a slight falling off in shipments, 16,619,264 pounds being shipped in 1908, as compared with 17,997,923 pounds in 1907. Of this amount the United States took only 9,095 pounds, the remainder going to European markets.

Bananas also showed a small loss, 631,000 bunches being shipped in 1908, as compared with 639,500 in 1907. It is almost certain that the 1909 crop will show a still greater loss, as at least two-thirds of the plants were destroyed by the hurricane of September 12, 1908.

Coffee showed a considerable increase, 1,938,004 pounds being exported in 1908, against 721,074 pounds in 1907. There is, however, a constantly decreasing acreage of coffee under cultivation each year. Cacao has shown a better percentage of profit, and estate owners are planting it instead of coffee.

Cabinet and construction woods, as mahogany, satinwood, lignum-vitæ, etc., formerly quite important items in the exports of this island, have steadily decreased in shipments for the last ten years. There are still considerable quantities of mahogany and other cabinet woods in the Republic, but it will be practically impossible to get the logs to the seaports until better transportation facilities are secured.

EXPORTS—SALES TO THE UNITED STATES.

The exports from Puerto Plata to all countries for 1907 and 1908, in quantities, were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bananas..... bunches..	639,500	631,000	Skins, goat..... pounds..	118,466	41,480
Cacao..... pounds..	5,291,986	11,112,929	Tobacco..... do.....	17,997,923	16,619,264
Cigarettes..... do.....	235,356		Wax..... do.....	130,899	122,863
Coffee..... do.....	721,074	1,938,004	Wood:		
Corn..... do.....	39,479	17,465	Mahogany..... feet..	11,421	11,562
Hides..... do.....	273,193	213,893	Lignum-vitæ..... tons..	152	4
Honey..... do.....	1,890	1,395	Other..... feet..	44,718	25,436

The value of exports to the United States in 1908 was \$923,638, against \$620,495 in 1907. The quantities and values are shown in the following comparative table:

Articles.	1907.		1908.	
	Quantity.	Value.	Quantity.	Value.
Bananas..... bunches..	639,500	\$322,241	631,000	\$312,880
Cacao..... pounds..	1,180,348	238,965	4,039,549	557,289
Coffee..... do.....	72,580	6,449	259,991	26,289
Custic..... tons..	39	528	33	338
Hats..... dozen..	428			
Hard woods..... feet..	42,528	3,993	7,475	949
Hides..... pounds..	4,197	610	3,519	401
Metal, old..... do.....	37,042	5,186	2,183	241
Skins..... do.....	118,466	40,699	56,043	20,740
Tobacco..... do.....	137,553	9,444	9,095	418
Wax..... do.....	220	55	6,600	1,870
All other articles.....		890		945
Total.....		619,000		922,275
Returned American goods.....		1,495		1,363
Grand total.....		620,495		923,638

DECREASE IN IMPORTS.

The total imports into this port in 1908 were \$1,602,542, as compared with \$1,617,651 in 1907, a loss of \$15,109. Of this amount the United States supplied \$892,130, or about 56 per cent of the total imports. This is an increase over the share of the United States in 1907, when it supplied 52 per cent of the total.

The decrease in the total amount results from the fact that in 1907 the imports were especially large, due to a general shortage of food crops on the island. This necessitated the importation of unusual quantities of food products. Another item that swelled the imports for 1907 was the purchase of rolling stock and materials for the Santiago-Moca Railway.

The principal imports, in the order of their importance, and the percentage of each item coming from the United States, were as follows: Manufactures of cotton, of which the United States supplied nearly 49 per cent; manufactures of iron and steel, 80 per cent; rice, less than 1 per cent; oils, 96 per cent; provisions (meat and dairy products), 38 per cent; sugar and confectionery, 95 per cent; pre-

served fish, 97 per cent; leather and manufactures of, 80 per cent; manufactures of fiber, rope, etc., 6 per cent; drugs and chemicals, 70 per cent; and jewelry, watches, and clocks, 6 per cent.

The value of the articles imported into Puerto Plata and the share of the United States in each during 1908 are shown in the following statement:

Articles.	United States.	Total.	Articles.	United States.	Total.
Agricultural implements.....	\$3,309	\$12,324	Leather, and manufactures of.....	\$28,892	\$35,747
Animals, live.....	146	2,446	Malt liquors.....	3,373	23,657
Books, etc.....	1,437	4,368	Oils.....	66,142	68,606
Breadstuffs:			Paints and colors.....	2,943	3,887
Flour, wheat.....	85,924	85,924	Paper.....	4,653	14,254
Other.....	7,518	8,842	Perfumery, etc.....	965	6,179
Chemicals, drugs, etc.....	22,118	30,743	Provisions.....	24,234	64,572
Coal.....	13,584	13,584	Rice.....	1,154	147,780
Cotton, manufactures of.....	224,906	462,369	Rubber, manufactures of.....	1,064	1,305
Currency.....	83,311	83,311	Soap.....	14,621	14,763
Earthen and china ware.....	125	8,873	Sugar and confectionery.....	44,845	47,449
Fibers, rope, etc.....	1,831	35,093	Vegetables.....	2,667	4,781
Fish, preserved.....	37,161	38,357	Vehicles.....	4,004	4,120
Fruits and nuts.....	1,068	1,990	Wines, etc.....	314	12,723
Glassware.....	4,281	6,774	Wood, manufactures of.....	22,161	26,325
Grease.....	15,944	17,156	Wool, manufactures of.....	1,325	18,565
Gums and resins.....	6,018	6,848	All other articles.....	38,804	96,615
Hats and caps.....	695	20,647			
Iron and steel.....	118,945	148,399	Total.....	892,130	1,602,542
Jewelry, watches, etc.....	1,661	26,176			

COMMERCIAL OUTLOOK.

The prospects for 1909 seem entirely favorable for a large increase in the commerce of this district. There are quite a number of industrial projects on foot which will put money into circulation, give employment to the laborers, and give a general impetus toward better trade conditions. The Government has negotiated a loan of several millions of dollars to be used in public works, harbor improvements, and road building. The most important of the projected enterprises in this district are the deepening of the Puerto Plata harbor; the improving and regrading of the government railway from Puerto Plata to Santiago; the completion of the government railway from Santiago to Moca; the irrigation of the barren tract in the province of Monte Cristi, west of the Yaqui River; and the reclamation of a swampy tract bordering on Manzanillo Bay, also in the province of Monte Cristi.

Some of the enterprises contemplated by private capital are a new waterworks system for Santiago; a large water-power electric plant to supply municipal and private lighting for the cities of Puerto Plata and Santiago; a railway from Santiago to Monte Cristi; and the erection of an up-to-date saw and planing mill to supply the Republic with building lumber.

Another fact that tends to increase commercial activity is the appearance in the field of the Dominican Steamship Company, which has chartered two Norwegian steamers and placed them in operation between New York and the Dominican ports. This not only gives increased transportation facilities, but has caused a material reduction in the tariff of freight rates.

Although the United States supplied 56 per cent of the total imports into this city in 1908, unquestionably a much larger share of the

business could be secured if the American manufacturers and exporters would make an active, intelligent effort to that end. There are certain lines of merchandise that are imported entirely from European points. This is due in some cases to the low prices at which the goods are offered, in others to the longer credits given, but in most cases apparently to the apathy of American firms.

Some of the most important of the articles purchased entirely from Europe are charcoal stoves and iron pots, corrugated iron and zinc for roofing and walls from England; granite and enamel ware, flat and table ware in the cheaper grades, pianos and rice from Germany; tableware in plate and sterling silver, and fine dress goods from France; jewelry from Italy; and wine from Spain.

UNITED STATES SHOULD SUPPLY LARGER SHARE OF IMPORTS.

There are several lines of merchandise imported in part from the United States of which it should supply a much larger share. Only about one-fourth of the agricultural implements imported into this district are of American make. This is a condition that could not exist if American agricultural implements and tools were introduced by intelligent agents who could demonstrate the utility of the articles. Cheap ready-made clothing of drill or cotton cloth is almost unknown. The cheapest two-piece suit obtainable costs about \$6 and must be ordered from a tailor. Dairy products, canned butter, etc., come almost entirely from Denmark, and are so expensive as to be classed as luxuries.

Reason would point to the United States as the legitimate base from which this country should draw its supplies. The United States enjoys better transportation facilities, cheaper freight rates, and is nearer than its competitors, but the latter send their traveling salesmen and the United States does not. Catalogues are all right, but to replace old favorites and to establish new lines something more convincing than pictures and printed words is needed.

The need of a parcels-post convention between the United States and the Dominican Republic is generally felt. This country has such a convention with France, which practically means Europe, as the other countries can send packages via France. This is a great handicap for American goods. A large share of the imports of this district come by parcels post. The greater part of the plated and sterling silver, jewelry, dress goods, suitings and ladies' fine wear are brought into the country in this manner.

The number of vessels calling at Puerto Plata in 1908 was 122, of 142,619 tons. Of this number 31 vessels of 54,821 tons were from the United States; 35 of 41,209 tons from Germany; 13 of 24,878 tons from France; 39 of 20,737 tons from Norway; 3 of 918 tons from England; and 1 of 56 tons from the Netherlands.

TRADE OF THE AGENCIES.

The declared value of the exports (including goods returned for repairs valued at \$53) from the Monte Cristi agency to the United States in 1908 was \$46,222, against \$42,307 in 1907 and \$48,632 in 1906. The leading items in 1908 were: Goat skins worth \$21,234; logwood, \$14,532; fustic, \$4,097; specie, \$3,309; and satinwood, \$1,846.

The total imports into Monte Cristi in 1908 were valued at \$139,819, of which the United States supplied articles worth \$98,864. The principal articles from the United States were as follows: Cotton goods, valued at \$27,028; manufactures of iron and steel, \$12,410; wheat flour, \$10,703; oils, \$10,133; soap, \$5,241; preserved fish, \$4,677; provisions, \$3,462; sugar and confectionery, \$3,940; manufactures of wood, \$2,430; leather and leather goods, \$3,648; vehicles, \$1,122; chemicals, drugs, and dyes, \$2,114; and agricultural implements, \$1,133.

The value of the exports declared at the Samana agency to the United States in 1908 was \$191,929, against \$211,284 in 1907 and \$83,590 in 1906. The principal articles in 1908 were as follows: Cacao worth \$188,441; cocoanuts, \$1,295; wax, \$548; copra, \$486; hides, \$476; and woods, \$300.

Of the total imports into Samana in 1908, valued at \$140,857, the United States supplied articles worth \$91,551, the leading items being as follows: Manufactures of wood valued at \$23,726; grease, etc., \$14,343; cotton goods, \$9,580; wheat flour, \$7,057; oils, \$4,842; gums and resins, \$6,521; provisions, \$4,037; fish, \$4,280; and iron and steel, \$3,044.

SOUTH AMERICA.

ARGENTINA.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL RICHARD M. BARTLEMAN, BUENOS AIRES.

Before giving detailed statistics showing the year 1908 to have been one of sound and constant progress for the Argentine Republic, it is deemed advisable, in view of the many inquiries that have been received from almost every State in the Union, to give a short description of the Republic, which is second in size and in population and first in total foreign commerce in South America. Its area, 1,129,400 square miles, is slightly less than one-third of that of the present continental United States, and its population, estimated by the National Demographic Office at 6,484,000 on January 1, 1909, is approximately one-thirteenth of that of the United States, making about six persons to the square mile.

While 96 per cent of the white population of the United States in 1806 belonged to two branches of the Aryan race, the Germanic and the Celtic, and spoke the same language, the equally numerous population of Argentina at the beginning of the year 1909 is extremely heterogeneous, due to the fact that its increase through immigration has taken place coincidentally with the great improvements in ocean transportation that have occurred within the last 30 years, the numerically dominant component factors being the Iberic and Italian groups of the Latin branch of the Aryan race. Fully three-quarters of the capital that bears Argentina along the road of progress is, however, controlled by members of the Germanic races—nearly all of it by British subjects, a little of it by Germans, and a very small proportion by citizens of the United States.

CLIMATE AND PRODUCTS.

It is as far from the northern to the southern boundary of Argentina as it is from Denver to New York City, and this great extent of territory has as many different varieties of climate as are to be found between Labrador and Florida. The greater part of the country is settled and capable of yielding returns from the natural soil, either by more or less elementary processes of tillage or by various methods of irrigation and afforestation.

As three-eighths of the total area of the country susceptible of use for cultivation and pasturage have, after thirty years of very unintensive development, made Argentina the first nation in the world in the exportation of linseed, the second in the world's exportation of wheat, corn, and meat products, the second in the world's production of corn, the third in the exportation of wool and in the total number of cattle and sheep, the fifth in the world's production of wheat, the

seventh in the exportation of cane sugar, and the twelfth in the world's production of wine, it will readily be understood that Argentina is able to produce the basic necessities of life—grain and meat—not only in quantities amply sufficient for its own needs, but also in sufficient quantities to give it a commanding position in the world's markets by their exportation; and as Argentina possesses minerals and other sources of wealth which are capable of great development, its future will, in all probability, present many features analogous to the marvelous economic expansion, combined with gradually increasing growth and intensiveness of manufactures, that marks the advance of the United States from 1825 to the present day, though many of the difficult problems that confront every new and rapidly growing country must be solved by Argentina in the years to come.

IMMIGRATION.

The increase of population during the year 1908 was due not merely to the unusually large immigration, 255,710 persons in all, but also to the very high birth rate throughout the country. While Argentina received almost as few immigrants during the first 47 years of its existence as an independent nation as the United States did during a similar period, the steady annual increase of the immigration to Argentina since 1857 has as materially helped to swell its population and increase its economic strength as have the various branches of immigration to the United States since 1820, without, however, assuming the same proportionate size, since the average cost of an immigrant's passage from Europe to the United States is much less than that between Europe and Argentina, the disparity having been even greater in former days.

Eighty-one per cent of the immigrants that arrived in 1908 were Spaniards and Italians, nearly all parts of Spain and Italy being well represented. For the last 20 years at least 70 per cent of the immigrants to Argentina have been Spaniards and Italians. In 1907, 90,282 Italians and 82,606 Spaniards, and in 1908, 91,115 Italians and 118,005 Spaniards immigrated into the Republic. In 1908 there were 15,219 immigrants from France and 14,827 from Brazil.

More of these immigrants tend to settle in the country districts of Argentina. This is a healthy sign for so new a country. The immigrants are also settling in greater and greater numbers in the comparatively undeveloped half of Argentina south of the thirty-fifth parallel of latitude.

CHIEF CITIES.

Buenos Aires, the capital, largest city, and chief business, shipping, manufacturing, and distributing center of Argentina, is likewise the largest city in the world south of the Equator, the largest city in the whole of Latin America, the largest Spanish-speaking city in the world, the second largest Latin city in the world, and the twelfth city in the world in population, having 1,201,722 inhabitants on April 30, 1909. It is surpassed in number of inhabitants only by New York, Chicago, and Philadelphia in the two American continents.

Few cities in the world surpass Buenos Aires in annual average increase of population, 50,000, or in its birth rate, 34.6 per 1,000. It has doubled in population in the last 15 years. It has as fine

churches, theaters, banks, clubs, opera houses, educational institutions, newspaper offices, and public and private buildings as are to be found in the few cities of its size in the United States, while its park and boulevard system is generally conceded to be one of the finest in the world. It is an admirably laid out city, and over \$3,000,000 a year United States currency are spent on well-planned municipal improvements. The average purchasing power of its inhabitants is very great. Their growing needs are being constantly met by the erection of new stores and shops of all kinds and grades, as well as of thoroughly modern hotels, office buildings, and other structures necessary to the life of a modern city.

Buenos Aires is nearly ten times as large as the next Argentine city in size, the flourishing and rapidly growing river port of Rosario, with a population of 171,000, whose important harbor improvements are helping to increase its natural importance as a railway center and as a distributing point for the regions drained by one of the largest river systems in the world, that of the river Parana.

Rosario is in turn over one and one-half times larger than the young and active capital of the Province of Buenos Aires, La Plata, which was founded, as were Washington and Indianapolis in the United States, by legislative enactment. In the 27 years since its founding it has grown to be a busy city of 100,000 inhabitants. The constant, steady, and sound increase during the past few years in the growth of the population of Bahia Blanca, the only Argentine ocean seaport of importance and the greatest wheat-shipping port of Argentina, bids fair to make it greatly outdistance within the next 6 years the older and more conservative interior cities of Cordoba, Mendoza, and Tucuman, though these, too, are growing centers of important business interests.

AGRICULTURAL RESOURCES.

At the beginning of 1909 there were in Argentina 67,211,754 sheep, 29,116,625 cattle, 7,531,376 horses, 4,000,000 goats, 1,125,000 pigs, 500,000 mules, and 285,000 donkeys. Those portions of Argentina under cultivation and pasturage were valued at \$6,267,675,000. The live stock was valued at \$1,427,235,000, the buildings and other permanent improvements being valued at \$607,950,000, and the machinery and implements at \$179,490,000. There were 20,336,659 acres sown with wheat, linseed, and oats in 1908, the crops for that year aggregating 4,400,000 tons of wheat, 1,086,000 tons of linseed, 850,000 tons of oats, and 350,000 tons of corn. The season was, on the whole, very good. With the opening up of new tracts of land for cultivation and grazing, and the gradual extension of more intensive methods of cultivation, it may be presumed that Argentina will occupy an even more prominent place in the world's markets for grain and meat products than at present, more especially as wheat as a food substance is displacing other commodities previously used for food throughout the world.

ARGENTINE FINANCES—AMERICAN BANKS REQUIRED.

Argentina's floating debt stood at \$3,876,902, a lower figure than ever before, at the close of the year 1908, and the national budget for 1908 makes a healthy showing. The expenditures were \$107,-

184,164, and the revenue \$109,475,317, leaving a surplus of \$2,290,-641, but the excess of revenue over expenditure is in reality greater, as \$1,272,971 was paid from the revenue as an advance on state railways and equipment, which sum has since been reimbursed from the proceeds of the loan made for the purpose of such outlays. Both the home and the foreign debts of Argentina were reduced in 1908 and the national treasury was in a healthy condition at the end of that year.

Generally speaking, 1908 was also a good year for the banks, though they did less exchange business than in former years because the large exporting houses are now importing gold on their own account, depriving the banks of the money they formerly made by importing gold and then selling it, which has made a notable difference in banking profits. The discount rate was rather high in 1908, averaging from 7 to 7½ per cent.

So much has been said, and so well said, concerning the immediate necessity of establishing a chain of strong and active American banks in South America, the largest to be situated in Buenos Aires, the largest Latin-American city, that this office merely deems it advisable to state that until such a bank is established in Buenos Aires, American influence and interests must continue to occupy the extremely subordinate position in Argentina that they do at present, with little or no direct financial connection with the United States. The success of British, French, Spanish, and German banks in Buenos Aires should stimulate American financiers to enter this growing banking center as a practical business venture, and the success of the work in banking in centers of trade and finance in the East, just as far away from the United States as Buenos Aires, and of far less relative importance, should encourage the setting up of a sound and solid establishment in the largest city south of the equator.

FOREIGN COMMERCE.

Argentina's total foreign commerce in 1908 foots up \$616,613,844, a greater amount than ever before, being 12 per cent greater than that of 1906, and about 10 per cent greater than that of 1907.

The value of the imports in 1908 is shown in the following table:

Articles.	Value.	Articles.	Value.
Agricultural products.....	\$15,285,444	Paper, and manufactures of:	
Animals, live.....	1,706,833	Paper and pasteboards.....	\$3,169,918
Beverages.....		Manufactured products.....	2,564,553
Spirits and liquors.....	2,571,106	Spices and condiments.....	4,407,082
Wines.....	9,566,252	Stone and earthen ware, crystal, etc.:	
All other.....	677,630	Raw material.....	20,058,551
Building material.....	20,441,041	Manufactured products.....	3,986,174
Chemical and pharmaceutical substances.....	8,867,533	Tea, coffee, cocoas, etc.....	7,875,512
Colors and tinctures.....	1,641,161	Textiles, and manufactures of:	
Electrical apparatus and material.....	3,212,785	Cotton.....	27,119,134
Flour, pastes, fecula, etc.....	705,871	Silk.....	4,009,552
Fruits.....	1,940,469	Wool.....	8,990,035
Iron, and manufactures of:		All other.....	8,945,720
Raw material.....	15,219,765	Tobacco, and manufactures of.....	5,363,131
Manufactured products.....	13,803,077	Vegetables.....	3,668,740
Leather, and manufactures of.....	2,061,532	Wood, and manufactures of:	
Locomotives and other locomotion machines.....	29,625,825	Raw material.....	1,973,950
Meats, and meat products.....	4,127,235	Manufactured products.....	4,021,464
Metals, and manufactures of.....	8,443,621	All other articles.....	7,520,031
Oils, mineral, volatile, and medicinal.....	10,664,913	Total.....	263,418,690

Of the exports, grains rank first in value; wheat, corn, and oats, in the order named, make up the bulk. Flax is second only to wheat in the group of vegetable products. Animals and animal products constitute the principal other great source of export values, wool being the chief item, followed by meats, hides and skins, tallow, etc. The values, by groups, are given in the following table:

Group.	Value.	Group.	Value.
Agricultural products:		Live stock and products—Cont'd.	
Raw materials.....	\$228,183,113	Animal products.....	\$94,325,041
Elaborated vegetable substances.....	5,055,969	Elaborated animal substances.....	11,940,718
Vegetable residues.....	4,979,382	Residues.....	2,078,291
Forest products.....	6,125,081	Mineral products.....	732,877
Game and fish products.....	481,160	All other products.....	1,496,561
Live stock and products:		Total.....	353,195,154
Animals, live.....	2,745,261		

IMPORTS AND EXPORTS, BY COUNTRIES.

The imports and exports, by countries, are shown for 1907 and 1908, respectively, in the following table:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$37,482,739	\$34,351,108	\$10,557,620	\$12,567,424
Belgium.....	15,340,480	12,307,004	28,556,408	24,525,951
Brazil.....	7,574,627	7,030,137	13,527,785	14,567,232
France.....	24,570,645	25,550,224	36,440,374	27,901,749
Germany.....	44,207,779	36,522,428	35,148,240	33,535,674
Italy.....	23,168,127	24,041,264	5,036,784	7,631,062
Netherlands.....	1,700,335	1,966,098	4,028,382	5,114,181
Spain.....	7,039,182	8,216,476	1,807,858	2,508,616
United Kingdom.....	94,507,991	90,103,397	51,836,066	75,583,357
Uruguay.....	2,380,207	2,129,791	1,328,455	747,348
All other countries.....	17,876,497	21,099,843	97,509,315	138,512,540
Total.....	375,855,559	363,418,600	285,837,216	353,195,154

The United Kingdom, which controls some 80 per cent of the capital employed in Argentina, continues to lead in both exports and imports, and will probably do so for many years to come. The United States occupies third place in the imports, closely following Germany, which is making every effort to extend its Argentine trade, and sixth in the exports, being preceded by the United Kingdom, Belgium, Germany, France, and Brazil. When it is considered that the direct channels of trade have been growing for over 50 years between Argentina and the great producing and manufacturing countries of Europe, while they have only just started with the United States, and that there are, so far as is known at the American consulate-general in Buenos Aires, only some 500 citizens of the United States in Argentina, while there are 100,000 British subjects, and other very large and firmly consolidated colonies of Europeans, our trade showing in this country, 5,500 miles distant and a month to a month and a half distant in time from our largest industrial and manufacturing centers, is not at all a poor one.

GOOD MARKET FOR AMERICAN EXPORTS.

With but 3 per cent of her people engaged in manufacturing, and an extremely small supply of cheap labor so essential to the successful prosecution of manufactures, and with the country districts and the new public works and undertakings detracting a very large percentage of the immigrants from manufactures, Argentina offers a market for every kind, shape, and variety of American goods from steam engines to soap, and it wants high-grade articles, and is willing to pay well for goods that meet the requirements.

Seldom in the history of a new country of settlement has there been such fierce and constant competition as exists to-day in Argentina to capture the markets of the present in order to firmly secure the ever-expanding market of the future. American merchants have as keen rivals to contend with here as anywhere in the world—rivals who have great advantages over them. Americans must use every care to hold what they have and to extend their footing. Much the same complaint is heard here as elsewhere about the faulty packing of American goods—glassware packed for a 6,000 mile journey even more carelessly than it might have been for shipment between New York and Philadelphia; of failure to meet requirements, to adapt the goods to local needs, and to promptly fulfill orders. All this has hindered the sale of American goods and the extension of American trade. One damaged shipment has spoiled many a future sale.

SUCCESSFUL SALESMEN'S REQUIREMENTS.

The essential requisites for an American salesman in Argentina are a good knowledge of the Spanish language, tact in abundance, and an ever-ready willingness to adapt himself to the customs and habits of the purchasers. The most successful men often study the ground for weeks before trying to sell anything, and they do far better than the man who forgets that Yankee hustle does not take so well here as it does in the United States. Persistency a salesman must have, but of patience no less.

Business men who would not think of sending a letter from Chicago to St. Louis with a one cent stamp appear to have no compunctions about sending letters, catalogues, and other mail matter of all kinds to Argentina with either no postage at all or with deficient postage. Fully one-half the letters received at the American consulate-general at Buenos Aires are short paid, most of them being from business houses that wish to increase their export trade. Many Argentine business men will simply throw the short-paid letter, and even more readily the short-paid catalogue (the American consulate-general in Buenos Aires recently paid over \$3 on one package of short-paid catalogues) into the nearest wastebasket, naturally not desiring to do business with a house that is not willing to put the full postage on its letters. Few things have done more to bring American firms into disrepute than the sending out of short-paid mail matter.

MANUFACTURES—RAILWAY DEVELOPMENT.

While Argentina's manufactures do not as yet, and can not for many years to come, supply the home demand, much less that of other countries, the growth in manufactures during 1908, wholly

in the older and more thickly settled parts of the country, is noteworthy. Complete data are at hand only for the provinces of Buenos Aires, Cordoba, Entre Rios, and Santiago del Estero, which probably represent three-fourths of the total, the province of Santa Fe being the chief one for which details are as yet lacking. They show that in these four older and more thickly settled provinces there are 21,447 factories, which use steam machinery of a total of 157,000 horsepower, being capitalized at \$193,463,600, and transforming annually native raw material to the value of \$151,332,600 and foreign raw material to the value of \$60,717,800. These factories are doing a business of \$385,961,400 per annum, and employ 196,000 people, or approximately 3 per cent of the entire population.

Argentina's railway mileage is not merely the greatest of any South American country, but it is growing faster than that of any of these countries. The year 1908 was the most profitable and prosperous that Argentine railways have yet enjoyed, 1,242.74 miles of new railways having been laid down, bringing the total to 15,386.98 miles, or approximately that of the United States in 1854. There were under construction on January 1, 1909, 4,038.90 miles, on which over 10,000 workmen were employed, and 6,213.70 miles were under survey at that date. The Argentine railways carried 48,000,000 passengers in 1908—more than ever before, and 6,200,000 more than in 1907, and 31,500,000 tons of freight, a quantity greater than ever before, and 3,600,000 tons more than in 1907. The total railway receipts for 1908 mounted to \$96,500,000, which is more than ever before, and \$11,580,000 more than in 1907. More money was also spent on Argentine railways in 1908 than ever before, the amount having been \$60,119,500, or \$96,500 more than in 1907.

Argentine railways were capitalized at \$808,380,500 on January 1, 1909. Only five of the 24 Argentine provinces and territories, and these among the most remote, had no railways on January 1, 1909, though the small railway in the Chubut is not connected with the main system of Argentine railways, most of which are in the older, more thickly settled and economically developed portions of Argentina north of the fortieth parallel of latitude.

The three important events in railway construction in Argentina in 1908 were the extension of the Central Northern Railway to La Quiaca on the Bolivian frontier on May 25, 1908, the construction of new railways of immense future importance in the rapidly developing southern territory of Rio Negro, and the satisfactory progress made on the trans-Andean railway to Chile—the first trans-American line south of Panama—which will probably be opened to through traffic in March, 1910. No rail communication existed between Argentina and any foreign country on January 1, 1909. Other new railway lines are those connecting San Juan and Servezuola, Tinogasta, Andalgalá, Ledesma and Embarcacion, and Santa Fe and Dean Funes.

SHIPPING INTERESTS—POSTAL SERVICE—EDUCATION.

Every steamship company trading to Argentina endeavored, by strengthening and improving its fleet and offering all possible inducements to passengers and cargo of all kinds, to improve its position in the profitable River Plate trade in 1908. Buenos Aires continues

to be the shipping center of Argentina, though Bahia Blanca is gradually becoming a serious rival as the center of population of Argentina slowly shifts southeastward. Young as the city is, Bahia Blanca is now Argentina's greatest wheat-shipping port.

In 1908 the number of pieces of mail matter carried in Argentina was 705,000,000, or 86,000,000 more than in 1907. Two hundred and thirty-nine new post-offices were opened in 1908, making 2,377 in the entire Republic on January 1, 1909, against 2,138 a year earlier. Sixty-one new postal routes were opened in 1908, making 459 in all. Foreign postage was reduced from 15 centavos (6.7 cents) to 12 centavos (5.5 cents) during 1908. There were 761 miles of new telegraph lines opened in 1908. The deficit of \$1,770,408 in the administration of the telegraphs for 1907 was reduced to \$864,330, in consequence of the receipts for 1908 exceeding those for 1907 by \$1,150,378.

In 1908, 620,210 children were studying in the national provincial and private schools, as compared with 597,203 in 1907. A new professional school for women was opened in Buenos Aires in 1908, also one in Tucuman. Many new school buildings were erected in 1908, a year of steady progress for every variety of education, more especially industrial, technical, and normal instruction.

BUENOS AIRES.

By CONSUL-GENERAL ALBAN G. SNYDER.

In foreign commerce, conditions have been very favorable in Argentina during 1908, and the same conditions to a greater or less degree can be said to exist throughout all branches of domestic trade and industry.

One other thing worthy of mention, which can not fail to cause satisfaction, is the awakened interest taken by American manufacturers and exporters in this country, an interest evidenced in many ways, as for instance by the increased number of Americans visiting the country, both officials of important business concerns and representatives of others, and also by the improvement in the class of people arriving, which, together with the increased numbers, will go far toward improving the reception of Americans in this country, as well as knitting more closely the relations and building up future commerce between the two Republics.

Various refrigerating and packing plants have been secured by American capital in the past year, and American capital is reaching out to secure a foothold in other lines, as evidenced by the attempt to secure part of the recent Argentine loan and armament projects; and many other smaller interests are being watched, all of which activity is a good sign.

No country, it appears to the writer, presents better opportunities for investment than Argentina, yet it is a fact that the present large British and German interests here could now have been under American control, for most of the large concessions in this country were originally possessed by Americans. Many believe this condition of affairs is the result of a short-sighted policy on the part of Americans.

NEW POST-OFFICE—PORT EXTENSION—CANAL.

Plans for the new general post-office in Buenos Aires have been submitted to the Government, and call for an expenditure of about \$4,000,000 for a seven-story building with underground offices as well. The first floor, in which the main offices are to be located, will be entered over elevated railways, from the corners of 25 de Mayo and Calle Corrientes and Calle Cuyo, which are level with the first story of the new building placed in the Paseo de Julio. Sufficient space is to be left for all traffic between the post-office and the new Pacific railway station, and these extra works will bring the total cost of the proposed new construction up to about \$5,790,000.

Congress has decided upon and approved the extension of the port to the north of the north basin, the department of hydraulics having made several tests which have proved the bed of the river suitable for wharves and docks. It will be a good thing for the port if these works are undertaken at once, for they are much needed.

It is stated that 14 firms have asked for details from the ministry of public works regarding the construction of Las Palmas canal, and some bids are looked for by September, 1909. Government engineers have examined the proposed route and state that it presents no difficult engineering problems, and should prove a better and cheaper route than the present Rosario and up-river route. The saving in dredging alone would almost pay for the new route, the outside cost of which is to be \$9,650,000.

RESTRICTING IMMIGRATION—SOUTHERN DOCK COMPANY.

A movement is on foot, started by prominent men, to put into force more stringent laws and regulations than those in existence, looking to the governing of immigration, and preventing those suffering from consumption and other like diseases from entering Argentina.

The annual report of the Buenos Aires Southern Dock Company states that the gross receipts for the year ending June 30, 1908, were \$210,949, and working expenses \$117,662, leaving a net profit of some \$93,287, as compared with a profit of \$90,449 for the previous year. The goods handled amounted to 472,308 tons, or 47,536 tons less than in 1907.

The Times of Argentina contained an article at the beginning of the year on the excellent facilities for the dispatch of freight at Bahia Blanca:

The excellent dispatch at Bahia Blanca is causing some comment in shipping circles. The Pacific and Southern Railway elevators are doing splendid work at Pto Galvan and Ingeniero White. Bahia Blanca may be termed the favored outlet of these two railways, which have spared no expense in installing the most modern conveniences. Shippers would have us think that the whole reason of the excellent dispatch lies in the division of the port into special zones for special exporters, but the great secret is the rapidity with which the railways handle their traffic and pass the grain through the elevators. Bahia Blanca is shipping at the rate of 10,000 tons per diem, and if this continues her traffic will entirely cease by the beginning of April, as little maize is grown in the south of the province. Bahia Blanca has a splendid future before it, for it is the natural outlet of a great wheat zone and what will be the greatest wool-producing zone of the Republic.

Lack of means of sending small parcels (parcels post) also loses the United States many dollars' worth of business yearly. The fact

that small packages have to be sent by freight, with the accompanying delay, or by express with its high rates, makes the cost of such purchases in the United States prohibitive, and all this business goes to Europe. Some way should be found to remedy this. A parcels post would do it.

In doing business with South America it is necessary to remember that a fine handling of the situation and a thorough understanding of all conditions is needed far more than at home. No successful business can be carried on in the United States in a slipshod way and with an utter disregard of customs. Even less can it be done in Latin America, yet the actions of many American exporters would lead one to believe that this is just the way in which they are trying to establish trade.

SHIPPING AND VITAL STATISTICS—STOCK EXCHANGE.

The total number of vessels entering the port of Buenos Aires during 1908 was 16,417, representing an aggregate tonnage of 7,727,788. Of these, 6,548 were steamers, with a total tonnage of 6,583,129, and 9,869 were sailing vessels whose aggregate tonnage was 1,144,659. The over-sea trade engaged 1,853 of the steam and 174 of the sailing vessels, while 14,390 vessels—4,695 of them steam and 9,695 sailing—engaged in the coasting trade.

In the over-sea trade the flag of England was carried by 1,025 steam and 20 sailing vessels; Germany, 189 steamers; Italy, 153 steam and 47 sailing vessels; France, 128 steam and 2 sailing craft; Argentina, 123 steam and 5 sailing vessels; Brazil 63, and Spain 39 steamers; Norway, 82 sailing vessels and 5 steamers; United States, 2 steam and 5 sailing vessels.

The population of Buenos Aires on December 31, 1907, was 1,129,286, and on December 31, 1908, it was 1,189,180. Twenty per cent of the increase was by immigration. In 1893 the population was 580,371, which shows that the city has more than doubled in population in the past 15 years. Of the 18,139 deaths in 1908, tuberculosis caused 2,081, cancer 1,076, and typhoid fever 283.

The annual report of the Buenos Aires Stock Exchange or Chamber of Commerce, for 1908, which its statutes require the officers to make to the shareholders, states that conditions resulting from the financial panic in the United States at the end of 1907 had completely paralyzed the wool, hide, and grain markets, had raised its rate of discount, and reduced the gold reserve in the Caja de Conversion from \$120,625,000 to \$99,395,000.

The speedy return of the situation in those markets to the normal in the beginning of 1908, however, also had its beneficial effect in Argentina, and the equal normalization of conditions here gives promise that such a beneficial reaction will in itself alone be sufficient guaranty of the future development of the national resources of the country, and nothing at present warrants the fear of a repetition of such conditions in the near future.

The gold reserve has risen to \$122,555,000, with an upward tendency, and the coming harvests, together with the better prices in wool and grain, and solid prices of rents and stocks, all give rise to the hope that conditions will continue to improve during 1909.

EXPORTS TO THE UNITED STATES.

The declared value of exports from Buenos Aires to the United States during 1907 and 1908, respectively, is shown, by articles, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bags.....	\$40,942		Quebracho wood.....	\$288,465	
Beef, jerked.....	63,447	\$40,407	Seeds:		
Blood.....	27,084		Alfalfa.....		\$5,790
Bones.....	217,979	264,514	Canary.....	88,489	34,719
Corn.....	6,945	207,252	Clover.....		9,335
Fertilizers.....	38,969	1,874	Skins:		
Feathers.....	11,804		Calf.....	70,258	126,125
Guano.....	14,432	4,706	Carpincho.....	15,467	
Glue stock.....	35,795	29,495	Goat.....	482,364	622,024
Hair, horse.....	198,440	168,625	Otter.....	18,611	29,019
Hides:			Sheep.....	106,662	20,583
Cow and ox.....	3,036,484	4,426,948	All other.....	24,545	1,764
Horse.....	23,488	2,827	Slats.....	87,495	
Kips.....	60,454		Shearings.....	107,096	
Wet, salted.....	562,377	430,544	Wool.....	4,044,043	4,209,194
All other.....	20,227	1,643	All other articles.....	19,751	53,231
Horns.....	34,540		Total.....	11,603,291	12,718,472
Lactarene.....	35,929		Returned Americangoode.....	86,923	76,611
Oats.....		23,881	Grand total.....	11,690,214	12,795,083
Pelts.....	461,972	255,782			
Quebracho extract.....	1,358,737	1,748,190			

ROSARIO.

By CONSUL THOMAS B. VAN HORNE.

The amount and distribution of the import and export trade of Rosario for 1908 are indicated by the following table, the figures for which were taken from the custom-house records:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$4,005,671	\$2,773,297	Italy.....	\$2,849,352	\$16,064
Austria-Hungary.....	56,445		Japan.....	5,285	
Belgium.....	2,524,933	1,575,711	Netherlands.....	48,810	208,012
Brazil.....	858,660	1,899,071	Norway.....	63,459	
Canada.....	128,610		Paraguay.....	116,496	468,785
Chile.....	3,954		South Africa.....		1,456
China.....	21,197		Spain.....	231,389	
Denmark.....	216		St. Vincent, for orders.....		38,464,752
France.....	777,572		Sweden.....		100,215
Germany.....	1,814,305	7,538,017	Switzerland.....	9,332	
Greece.....	1,230		United Kingdom.....	6,064,885	3,939,517
India.....	2,845		Uruguay.....		55,626

The chief articles imported into Rosario during 1908 are listed in the following table, with the amounts recorded by the custom-house of the port:

Articles.	Value.	Articles.	Value.
Agricultural machinery.....	\$1,264,443	Rice.....	\$926,548
Beer.....	350,669	Sardines and salt fish.....	202,448
Cheese.....	48,469	Sewing machines.....	58,506
Chocolate.....	13,565	Sleepers and rails.....	872,802
Coal.....	2,415,536	Sugar.....	1,138,206
Coffee and chicory.....	93,414	Textiles, yarns, and thread.....	1,282,785
Locomotives, and other locomotion machines.....	2,503,200	Tobacco.....	23,756
Lumber.....	2,472,232	Wines and spirits.....	1,143,027
Oils, including kerosene.....	1,264,443	Wires.....	699,836
Provisions.....	238,255	Yerba.....	820,088

PRINCIPAL EXPORTS.

Agricultural and animal products comprise almost the whole of the exports from Rosario, the main items being wheat, corn, linseed, hides and skins, and bran. The following table gives the values in 1908:

Articles.	Value.	Articles.	Value.
Agricultural products:		Animals and products:	
Barley.....	\$18,080	Animals.....	\$908
Bird and other seeds.....	20,439	Bones.....	194,549
Bran.....	1,468,868	Hides and skins.....	2,787,655
Corn.....	15,445,519	Horns.....	979,830
Flour.....	210,024	Horse hair.....	194,629
Hay.....	102,841	Wool.....	308,408
Linseed.....	13,803,222		
Potatoes.....	6,483	Total.....	4,637,234
Wheat.....	21,790,297		
Total.....	52,865,782	Mineral products:	
		Copper.....	622,898
Forest products:		Iron, old.....	56,210
Quebracho extract.....	213,689	Lead.....	8,216
Quebracho wood.....	381,370	Lime.....	7,708
All other.....	59,459	All other.....	676,961
Total.....	654,468	Total.....	1,368,918
		Grand total.....	59,226,402

The value of the exports from Rosario to the United States during 1908, as declared at the American consulate, is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bones.....	\$17,179	.....	Quebracho wood.....	\$498,865	\$656,248
Copper matte.....	.....	\$313,290	Skins, goat.....	173,445	645,412
Glue stock.....	2,082	1,885	Wool.....	18,325	221,446
Hides.....	2,207,557	2,046,761	All other articles.....	1,457	.....
Horse hair.....	217,613	115,186	Total.....	4,440,314	4,875,739
Kips.....	2,795	.....		
Quebracho extract.....	1,300,996	875,061			

The shipping record for 1908 shows that 870 vessels, with an aggregate tonnage of 1,683,382, entered the port of Rosario; in 1907, 647 vessels of 1,249,707 tons. Of the vessels entering in 1908, 829 were steamers and 41 sailing vessels; 653 of the steamers were British, 78 German, 30 Brazilian, 26 Italian, and 8 Uruguayan. Of the sailing 19 were Italian, 9 British, and 8 Uruguayan. The United States was represented in 1907 by 3, and in 1908 by 4 sailing vessels.

BOLIVIA.

REVIEW OF TRADE CONDITIONS.

COMPILED IN THE BUREAU OF MANUFACTURES FROM THE BULLETIN OF THE INTERNATIONAL UNION OF THE AMERICAN REPUBLICS.

For the past four years Bolivia has enjoyed a period of steadily increasing commercial activity. While the aggregate of transactions in 1908 did not reach the proportions of the previous year, the trade balance remained in favor of the Republic. The trade volume

totalled \$33,837,000. Although these figures as compared with 1907 show a decline of \$1,454,600, a gain in imports was a notable feature of the year's transactions. The fact that, despite the decrease in value of its own products in foreign markets and resultant falling off in its exports, Bolivia was able to increase its purchasing power by over \$1,000,000 may be taken as ample evidence of its economic development.

Tin, the most important item on the list of exports, was shipped abroad to the value of \$13,800,000, a decline of \$156,400 as compared with the previous year. Silver shipments showed an increase of \$209,400, reaching a total of \$2,802,000. Rubber shipments showed a decline amounting to nearly 50 per cent, the value being given as \$1,962,000, an indicated loss of \$1,574,000. The amount shipped in 1908 was 1,640 tons, approximately 830 tons going to Great Britain, 485 to Germany, 165 to Belgium, 120 to France, and 25 to the United States. Exports of copper showed a decrease of \$531,700 and of bismuth, \$123,200, while gold showed a gain of \$20,600.

According to United States statistics, exports from the United States to Bolivia totalled \$687,307, as compared with \$1,502,622 in the previous year. These figures, however, no doubt do not cover much American merchandise which finds its way into Bolivia through other countries. The imports into Bolivia by countries in 1908, the figures being prepared by the Bolivian Bureau of Statistics, were as follows:

Country.	Value.	Country.	Value.
United States.....	\$3,265,651	Italy.....	\$569,426
Argentina.....	954,440	Netherlands.....	18,376
Austria-Hungary.....	467	Paraguay.....	3,180
Belgium.....	559,470	Peru.....	470,853
Brazil.....	44,818	Portugal.....	22,673
Chile.....	1,500,031	Salvador.....	626
China.....	29	Spain.....	128,868
Cuba.....	261	United Kingdom.....	2,635,651
France.....	1,064,618	Uruguay.....	45,758
Germany.....	4,083,012	Other countries.....	924,748

PRODUCTS AND INDUSTRIES.

The mineral wealth of Bolivia, including nearly all known metals, is widely distributed and very rich and abundant. The copper mines and the tin and bismuth mines of the Republic are among the richest in the world. The yield of tin in 1908 was given as 30,000 tons, worth \$10,756,800, as compared with 28,000 tons, valued at \$11,956,800 in 1907, the decreased valuation being caused by a 25 per cent decline in price. The chief tin-mining center is Huanuni and the leader in production in 1908 was the San Salvadora mine.

From 1540 to 1750 the gold mines of Bolivia produced \$2,100,000,000 worth of gold. From 1750 to the beginning of the nineteenth century, the mines and placers situated in the provinces of Larecaja and Caupolicán produced \$14,000,000 in gold, and from 1818 to 1868 their output was 150,700 ounces of gold. The product of the other mines and placers of the Republic, from the middle of the eighteenth to the latter part of the nineteenth century, is estimated at \$125,000,000. The annual gold production of Bolivia may be calculated at 17,460 troy ounces of a value of \$349,200.

Although the production of rubber showed a decline from that of the previous year, this industry is one of the most important and certain sources of national wealth. The largest rubber-producing districts are located in the territory Colonias, the Departments of Beni and Santa Cruz and portions of La Paz and Cochabamba. The two last-named districts also cultivate cacao and coffee, while the two former contribute other valuable vegetable products. Upland rice is grown to some extent in the provinces of Azero and Cordillera.

TRANSPORTATION FACILITIES.

The present extent of railways in the Republic is about 400 miles of trunk lines, permitting direct travel from Lake Titicaca, by the way of Oruro, to Antofagasta, on the coast of Chile. Branch lines are being constructed from Oruro to Cochabamba and Potosi, and routes for new lines have been located from Potosi to Tupiza and from La Paz to Puerto Pando. Preliminary work on the railway from Brazil to the Beni region, in the northern part of the Republic, has been commenced. The road as projected will be about 308 miles in length and penetrate a country rich in rubber, cabinet woods, etc. The road from Arica, Chile, to La Paz, over 200 miles of which will be in Chilean territory, is now under construction in Bolivian territory.

Communication is carried on between Mollendo, Peru, on the Pacific, and La Paz by means of a railroad running from Mollendo to Puno, Peru, on Lake Titicaca, and from thence by boat to Guaqui, Bolivia, and by rail and tramway from the latter point to La Paz.

There is river communication from Villa Bella, Bolivia, to Para, Brazil, on the Amazon River, near the Atlantic Ocean, a distance 2,516 miles, the trip being made in three hundred and fourteen hours. From Para to Lisbon, which is distant 3,263 maritime miles, the journey is made in twelve days.

Communication is had with Montevideo and Buenos Aires by means of the Plate, the Parana, and the Paraguay rivers to the Bolivian port of Suarez, a distance of 1,740 miles, eight days being required for the journey. From Puerto Suarez to Santa Cruz, a distance of 391 miles, there is a wagon road, and from the latter place to Sucre, the capital of the Republic, a distance of 342 miles, the trip can be made on horseback in seven days.

There is rail communication from Buenos Aires to Quiaca on the Bolivian frontier, and from thence a journey of three days can be made in wagons to Tupiza, Bolivia.

The different industrial centers of the Republic are at the present time connected with each other by 1,807 miles of wagon roads.

Bolivia, being entirely landlocked, is naturally dependent on her neighbors for external means of communication. The country may be reached either by way of the west coast, with one of the many steamers calling at the ports of Mollendo, in Peru, or Arica and Antofagasta, in Chile, or via the east coast, by means of one of the numerous steamers calling at the ports of Para, Brazil, or at Buenos Aires, Argentina.

POSTS AND TELEGRAPHS.

The postal and telegraph services showed satisfactory progress during 1908 and various improvements brought increased efficiency in both departments. In the postal service new offices were created in different parts of the Republic, and in the telegraph service the reconstruction and repair of existing lines, the construction of numerous additions to existing mileage, and the opening of five wireless telegraph stations marked the progressive spirit of the Government.

Bolivia is a member of the Universal Postal Union, and correspondence is dispatched to all countries belonging to that Union. There are 277 postal employees and 192 post-offices in the Republic, the main post-office being at La Paz. In 1908 the number of pieces of foreign mail matter received was 988,923, and the number of pieces sent abroad during the same period aggregated 375,318.

The telegraph system of the Republic comprises 2,986 miles, 2,088 miles of which are the property of the State, operating 113 offices. Telegraph lines run to all the capitals of the Departments, and the Government has under consideration the equipment of several additional high-power wireless stations.

LA PAZ.

PREPARED IN THE BUREAU OF MANUFACTURES FROM BRITISH OFFICIAL SOURCES

The total foreign trade of the La Paz consular district in 1908 amounted to \$31,488,859, against \$34,349,878 in 1907, a decrease of \$2,861,019. The imports and exports in 1908 were valued at \$15,887,356 and \$15,601,503, respectively, while in 1907 the imports amounted to \$14,754,299 and the exports to \$19,595,579.

Germany leads in amount of imports, followed by the United Kingdom, United States, Chile, France, Italy and Belgium in order of importance.

The value and quantity of the principal articles exported were as follows:

Articles.	1907.		1908.	
	Tons.	Value.	Tons.	Value.
Bismuth.....	153	\$364,438	160	\$119,336
Copper.....	3,649	997,706	2,877	480,105
Gold.....	0 16	3,786	0 82	20,060
Rubber.....	1,830	3,442,125	1,639	1,906,809
Silver.....	2,696	2,524,142	4,287	2,727,980
Tin.....	27,677	11,687,072	29,937	11,485,339

a Pounds.

[The figures in the text give the total value of the exports for 1908 as \$15,601,503, while those in the table for the same year for the six principal articles total \$16,742,619, an excess of \$1,141,116. It would therefore be reasonable to assume that at least \$1,600,000 should be added to the total given in the text, which would make

the exports for the year, in round numbers, amount to \$17,000,000.—B. M.]

Of the 1,639 tons of rubber exported the United Kingdom took 829 tons, Germany 424, Belgium 163, France 118, and the United States 23.

A British syndicate has obtained from the Bolivian Government the monopoly for a period of twenty years of the manufacture of wax and wooden matches. The importation of any description of matches will consequently be prohibited from the date of the signing of the concession. The importation of matches into Bolivia amounts to about 129 tons annually, which come principally from Sweden.

An overhead electric tram road, 4 miles long, is in course of construction in La Paz, the material for which is being supplied from the United States.

BRAZIL.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL GEORGE E. ANDERSON, RIO DE JANEIRO.

The foreign trade of Brazil in 1908 followed in a general way the trade of the rest of the world. There was a very material decrease in both imports and exports. The decrease in exports was much greater, proportionately, than in the trade of the world generally, and in the commerce of a country that meets heavy foreign obligations by means of its products being shipped abroad the general effect is much felt. There was a material reduction in the country's imports, but this, owing to the decreased exports, from a Brazilian standpoint, was favorable rather than otherwise.

The exports for the year amounted to \$215,266,136, as compared with \$263,299,744 for 1907, a decrease of about 19 per cent. The imports amounted to \$173,017,849 at the exchange value of 30.5 cents to the milreis, as compared with \$196,964,149 in 1907, a falling off of about 12 per cent.

The vast mass of business in Brazil grows directly out of the export or import trade of the country; that is, there is comparatively little domestic trade. The falling off in imports and exports naturally resulted in depression in some lines of business. The exports of coffee fell off by reason of large stocks held abroad as a result of the immense crop of 1906-7 and an indisposition to buy more so long as the valorization stock is held over the market, and in view of the great crop to be gathered in the approaching season. Exports of rubber decreased greatly owing to the industrial depression abroad and low prices. In cacao and one or two other principal export items there was some increase over the previous year. In imports there was a general falling off in almost all articles, particularly in cotton goods of the better class and in most lines of luxuries.

HOW THE IMPORTS WERE DISTRIBUTED.

In the year's trade the United States lost considerable it had gained in the previous three years. Not only was there a material

decrease in the amount of goods purchased of the United States, but the falling off was greater than that in imports from any other nation. As usual, the United States remained the best customer of Brazil during the year, taking about 40 per cent of its exports.

The imports, by countries of origin, for 1907 and 1908 were as follows:

Country of origin.	1907.	1908.	Country of origin.	1907.	1908.
United States.....	\$25,139,390	\$20,954,552	Newfoundland.....	\$2,139,580	\$2,470,363
Argentina.....	17,645,245	17,531,222	Norway.....	1,458,748	1,510,047
Austria-Hungary.....	3,296,324	2,770,351	Portugal.....	11,447,385	8,952,346
Belgium.....	7,822,136	8,077,520	Spain.....	1,755,208	1,590,382
Canada.....	1,208,619	1,137,612	Switzerland.....	1,875,994	1,704,493
France.....	18,009,320	15,595,251	United Kingdom.....	59,073,835	49,843,953
Germany.....	30,221,171	25,699,036	Uruguay.....	5,476,902	5,337,724
India.....	1,061,900	875,555	All other countries.....	1,242,172	2,154,701
Italy.....	6,973,230	5,872,446			
Netherlands.....	1,116,930	940,295	Total.....	196,904,149	173,017,849

The relative position of the leading countries in the trade has remained the same, except that Argentina has supplanted France in fourth place, the change being due not to any gain on the part of Argentina, there being a loss of a little more than one-half of 1 per cent in its share of Brazil's imports, but to the greater comparative loss of France. Argentina, whose chief export to Brazil is wheat flour, a staple and a necessity, held its trade, while France, whose exports to Brazil are almost entirely of goods classed as luxuries, lost. Only three countries showed gains—Belgium, Norway, and Newfoundland. The gain of Belgium was through several special lots of machinery and probably is only temporary. The gains of Norway and Newfoundland are chiefly in pine lumber and codfish. These changes are likely to be permanent and are made mostly at the expense of the United States, as a larger proportion of the pine lumber and cured-fish trade is being secured by these countries. Some of the Newfoundland trade is really that of Americans.

The loss of trade among the countries dealing with Brazil has been fairly or proportionately uniform, as is indicated by the fact that almost all countries having an annual trade of \$5,000,000 or more in exports to Brazil experienced a greater loss than the average. While the loss of trade in general has been material, the trade of 1908 was nevertheless greater in every way than that in 1906, and the reaction from 1907, the highest point in Brazilian export and import trade, is probably only temporary in its nature.

ARTICLES OF IMPORT AND SHARE OF THE UNITED STATES.

The imports from the United States in 1908 were valued at \$20,954,552, against \$25,139,390 in 1907, a loss of \$4,184,838. In the table following are shown the principal imports from all countries and the share from the United States in 1907 and 1908, respectively, values being given in United States currency.

Articles.	Total imports.		Share of United States.	
	1907.	1908.	1907.	1908.
Aluminum.....	\$63,316	\$61,171	\$11,755	\$7,390
Animals and birds.....	820,985	863,868	58,279	65,200
Animal residues.....	462,227	371,385	12,790	15,123
Arms and ammunition.....	1,444,701	1,468,802	627,323	524,503
Cars, carriages, etc.:				
Automobiles.....	663,144	551,682	89,215	71,441
Carriages and other vehicles.....	303,921	296,012	82,066	63,162
Cars, street and railway.....	1,280,135	1,771,375	19,934	242,506
Chemical products, etc.....	4,303,304	3,745,947	608,862	437,775
Clocks and watches.....	462,541	366,905	111,234	129,138
Copper and copper wire.....	3,006,282	2,271,094	479,903	296,056
Cotton, and manufactures of:				
Cloth—				
Unbleached.....	149,769	119,491	3,637	2,666
White.....	1,964,661	1,442,715	47,200	17,289
Dyed goods.....	3,904,515	2,654,254	195,950	104,997
Prints.....	3,088,455	1,531,649	110,960	28,577
Yarn, etc.....	2,704,969	2,389,595	19,382	22,895
Other manufactures.....	11,400,044	7,720,567	365,180	195,595
Electrical apparatus, etc.....	2,397,629	2,197,438	1,453,899	1,160,282
Fibers, manufactures of.....	205,843	198,341	16,784	9,098
Fish.....	4,234,311	4,541,354	86,881	411,032
Flax, and manufactures of.....	1,935,650	1,303,073	7,823	9,088
Flour.....	9,667,342	9,041,481	1,970,102	1,941,907
Forage, etc.....	697,231	570,324	21,878	22,880
Glass and porcelain ware, etc.....	3,228,817	2,614,439	131,933	81,237
Hides and skins.....	2,545,515	1,995,479	191,297	169,489
Instruments:				
Mathematical, etc.....	342,182	353,196	71,706	59,779
Musical.....	790,827	759,302	75,575	101,357
Surgical.....	428,933	356,447	164,154	145,611
Iron and steel, and manufactures of:				
Cutlery.....	1,045,379	666,742	210,565	122,989
Engines and motors.....	712,288	808,126	256,421	169,269
Hardware, building, etc.....	5,528,973	4,933,455	1,242,250	906,440
Hydraulic pumps.....	205,308	203,234	55,268	47,363
Iron and steel.....	1,725,113	1,486,477	28,497	25,206
Locomotives.....	1,562,961	1,758,415	881,764	848,639
Machinery—				
Agricultural.....	418,226	537,373	271,362	257,276
Industrial.....	2,333,230	2,662,135	64,534	139,697
Other.....	3,671,134	3,957,141	854,146	867,920
Rails.....	4,372,756	4,724,061	478,096	398,460
Railroad supplies.....	1,010,104	1,217,077	340,827	225,189
Scales.....	98,629	85,777	34,632	37,567
Sewing machines.....	1,580,367	1,019,838	648,288	427,965
Typewriters.....	122,364	130,613	107,222	117,560
Wire.....	1,891,188	1,677,926	449,252	427,264
Jute and hemp, and manufactures of.....	4,530,906	2,780,385	30,991	38,009
Lead, tin, and zinc, and manufactures of.....	1,061,322	862,581	26,418	16,655
Leather and skins, and manufactures of:				
Shoes.....	285,174	251,747	127,623	130,107
Other.....	644,670	481,793	8,776	15,078
Oils:				
Kerosene.....	3,490,207	3,606,095	3,469,908	3,584,758
Lubricating, etc.....	1,471,421	1,254,594	1,071,722	879,988
Paper, and manufactures of.....	4,176,067	4,451,961	171,614	499,658
Perfumery, paints, etc.....	3,782,439	3,243,293	391,475	314,518
Provisions:				
Bacon.....	234,523	227,330	217,155	203,622
Lard.....	1,418,346	512,410	1,396,933	495,163
Milk, condensed.....	715,441	753,858	22,409	39,989
Rubber, manufactures of.....	501,103	433,590	57,861	46,953
Stones, mineral, etc., including coal.....	14,722,763	14,159,963	92,755	53,498
Tar and pitch.....	766,316	770,574	749,187	756,123
Wood, manufactures of:				
Furniture.....	412,603	631,244	98,292	210,182
Lumber.....	2,530,240	1,835,078	1,888,533	1,174,995
Other.....	742,856	546,231	48,339	36,971
Wool, and manufactures of:				
Raw.....	1,335,073	956,611	117	68
Manufactures.....	3,681,285	2,907,073	6,781	4,278
All other articles.....	61,694,725	54,923,662	2,303,675	1,094,538
Total.....	196,964,149	173,017,849	25,139,390	20,964,562

PROPORTIONATE AMERICAN LOSS.

The résumé of the imports for the two years indicates an increase in animals, in which the United States had more than its proportionate share. So far as American trade was concerned, these imports were largely of stock for breeding purposes, and it is probable that American exporters will be able to hold this trade.

The imports of raw materials, manufactured articles, and food products from all countries decreased about 15.8 per cent, 12.6 per cent, and 9.2 per cent, respectively, while the imports of such articles from the United States showed a loss of 31.7 per cent, 11.3 per cent, and 25 per cent. The largest gains in imports from the United States were in some lines of goods in which the sales were heretofore rather small. In raw materials the only items in which the United States showed a gain were pitch and tar, in which the gain was less than 1 per cent. In the large items like lumber the loss of the United States was large, that in pine amounting to almost 40 per cent, while the loss in turpentine was over 25 per cent.

IMPORTS SHOWING GAINS AND LOSSES.

There was a decrease in the imports of cotton goods from all countries during the year, amounting to 35 per cent. The decrease from the United States was nearly 52 per cent. This loss, so characteristic of the course of the cotton-goods trade of the United States in Brazil for a number of years, was at practically the same rate in nearly all items. There was a decrease in imports of arms and ammunition from the United States of about 16 per cent, although there was a slight increase in the imports from all countries. The imports of carriages and vehicles, including railway and street cars, were increased about \$400,000, the United States securing nearly half of the new business. In manufactures of iron and steel the United States lost about 23 per cent, as compared with the loss of about 10 per cent from all countries. The loss of the United States was especially heavy in cutlery and hardware, two lines in which the United States has been doing well in Brazil for several years and in which there should be an increasing business.

The increase in imports of American musical instruments is notable, though the total is yet small. The decrease in the imports of electrical and all other machinery from the United States was greater proportionately than that in the total from all countries. The general loss on all machinery was about 3.5 per cent, while on that from the United States it was 20 per cent. In scales there was a gain. In locomotives there was a gain in the total from all countries, though a small loss in imports from the United States. The same was true of engines and motors, while in these imports the loss of the United States was pronounced. There was a gain of about 12 per cent in the imports of industrial machinery from all countries and a gain of about 116 per cent in such imports from the United States. The general gain of about 28 per cent in agricultural implements was not felt in American trade, as there was a decrease in imports from the United States of about 5 per cent.

In the manufactures of paper there was more of an increase in American imports than the general increase, the former amounting

to \$275,894 and the latter to \$278,044. Most of this was in printed matter. There was a decrease in the general import of shoes, but a small increase in those from the United States. There was a general increase in imports of kerosene, and the United States continues to furnish most of it, but in lubricating oils the United States lost trade, although there was an increase in the general imports.

RECEIPTS OF FOODSTUFFS.

The most noteworthy feature of the year's record in the imports of foodstuffs was the decrease in imports of lard from \$1,418,346 in 1907 to \$512,410 in 1908. The United States furnished all but about \$22,000 worth of this product in 1907, and all but about \$17,000 worth in 1908. The loss of trade in general, due to increased supplies from Brazilian sources and a decreased demand, was in fact principally a loss of trade on the part of the United States. The United States held its former trade in flour in spite of the decrease in general imports of this article. In codfish and bacon the United States lost trade. The codfish trade, however, includes imports from Canada, part of which belongs to the business of American houses and properly is American trade in some respects. There was a gain in condensed milk from the United States, though it still has only a small portion of this trade.

On the whole, in imports into Brazil from the United States, most of the greatest losses during 1908 were in lines in which the United States has a good business. In food products, machinery of standard sorts like sewing machines and engines and motors, agricultural implements, and in the lines of hardware in which American trade of late years has been on the increase, there has not only been a falling off in trade, but the losses are greater than those experienced by other countries.

IMPORTS OF FLOUR.

The imports of flour into Brazil in 1908 amounted to 151,076 metric tons, against 170,252 tons in 1907, and 158,946 tons in 1906. The total receipts of flour, by ports, and the purchases thereof from the United States and Argentina during each of the past two years are shown in the following comparative statement:

Port.	Total.		United States.		Argentina.	
	1907.	1908.	1907.	1908.	1907.	1908.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Araçuaí.....	157	120	13	24	53	.....
Bahia.....	10,626	10,968	373	91	8,430	9,641
Cabedelo.....	3,114	4,667	379	465	2,507	3,904
Fortaleza.....	3,910	4,033	3,483	3,400	219	582
Maceio.....	4,034	6,232	1,055	1,594	2,012	3,488
Manaos.....	3,449	3,912	3,439	3,912	.....	.....
Maranhão.....	1,963	1,746	1,843	1,649	.....	26
Mato Grosso.....	1,322	1,309	.....	.....	1,308	1,232
Natal.....	626	1,515	89	181	437	1,334
Para.....	9,853	8,815	9,139	7,831	708	904
Paraná.....	7,476	9,673	.....	.....	7,379	9,506
Pernambuco.....	123	78	11	20	.....	.....
Pernambuco.....	24,483	25,460	5,074	5,899	14,770	14,773
Rio de Janeiro.....	22,586	15,680	1,934	263	20,204	15,267
Rio Grande do Sul.....	26,941	27,350	152	3	26,371	25,963
Santos.....	43,899	23,353	2,144	98	37,901	20,463
Santa Catharina.....	5,643	5,788	.....	.....	5,090	4,911
Victoria.....	189	287	189	352	.....	22
Total.....	170,252	151,076	29,542	26,712	126,379	111,996

EXPORTS BY COUNTRIES.

In contrast with a decrease of American imports into Brazil in 1908, the exports to the United States (even in a year of extraordinary decrease of exports in general) showed a material increase, amounting to \$84,721,265 in 1907 and \$86,325,546 in 1908.

The exports during 1907 and 1908, respectively, to the leading countries were as follows:

Country of destination.	1907.	1908.	Country of destination.	1907.	1908.
United States.....	\$84,721,265	\$86,325,546	Portugal.....	\$1,824,186	\$947,526
Argentina.....	8,552,137	9,043,998	Spain.....	571,442	1,071,681
Austria-Hungary.....	7,425,984	7,711,370	United Kingdom.....	42,077,661	31,793,061
Belgium.....	14,240,398	4,744,696	Uruguay.....	3,616,206	3,927,402
France.....	35,020,373	16,459,949	All other countries.....	7,150,411	6,861,581
Germany.....	45,084,631	33,954,573			
Italy.....	1,531,614	2,462,148	Total.....	263,299,744	215,266,136
Netherlands.....	10,383,487	9,901,775			

In spite of the decline of \$48,033,608 in exports in 1908 as compared with 1907, the United States took more goods from Brazil than it did in the banner year of 1907, the increase amounting to \$1,604,281. The share of the United States in Brazil's exports in 1908 amounted to 40 per cent. In other words, the United States, which has taken about half of Brazil's total exports in the last ten years, continues its purchases, with no signs of any material change, except perhaps that its trade is becoming more permanent.

Some of the European countries which in 1907 gave indication of taking increased amounts of Brazilian products failed to maintain even their proportionate trade as exports decreased. The decrease in the exports to several countries would be surprising, were it not for the fact that in most instances it is to be explained by the decrease in exports of coffee from Brazil in the first part of 1907 in connection with the valorization of the coffee enterprise. The exports to Belgium fell from over \$14,000,000 in 1907 to less than \$5,000,000 in 1908, and those to France from \$35,000,000 to \$16,000,000. These losses are largely, though not entirely, due to valorization. Some of the loss of exports to Germany was due to valorization. On the other hand, there were heavy valorization coffee shipments to the United States in 1907, but this did not prevent an increase in the exports thereto in 1908.

There are some other features of this export trade that represent a reaction from changes of 1907 as compared with 1906. The changes in the Argentina trade offset a loss in 1907 compared with 1906. The decrease in the exports to the United Kingdom was mostly in rubber, and was due largely to the fact that Brazilian rubber in England is being superseded by plantation rubber from the East, particularly the Straits Settlements and Ceylon. The increase in the exports to Spain and Italy are in general a return to the normal.

The course of Brazilian exports during 1908 was very irregular, and for a time it looked as though the total of the country's sales abroad would be far below the final result. The recovery came in the latter months of the year, and the United States was responsible for most of it.

EXPORTS BY ARTICLES—WHAT THE UNITED STATES BUYS.

The exports, by principal articles, to all countries and to the United States for 1907 and 1908, exchange for the latter year being at 30.5 cents to the milreis, were as follows:

Articles.	Total exports.		Share of United States.	
	1907.	1908.	1907.	1908.
Balsam.....	\$8,752	\$19,693	\$5,205	\$10,652
Cacao.....	9,773,413	9,639,943	2,916,364	2,334,073
Carbons.....	365,235	136,238	217,266	81,897
Carnauba wax.....	2,025,185	1,160,914	266,090	345,462
Chestnuts.....	1,219,778	1,121,278	729,117	614,626
Coffee.....	138,398,194	112,327,055	46,318,172	52,032,213
Feathers.....	18,657	45,681	8,674	16,048
Herva-mate.....	7,813,949	8,045,279	12	5
Hides and skins.....	11,502,127	9,838,538	2,437,183	2,456,962
Horsehair.....	196,542	187,628	38,640	71,184
Ipecacuanha.....	125,416	68,773	19,903	.....
Manganese.....	2,442,984	1,200,368	521,551	140,645
Plants.....	29,993	35,402	6,816	4,285
Rosewood.....	167,544	223,344	30,329	21,696
Rubber:				
Mangabeira.....	672,093	289,607	199,679	44,996
Manicoba.....	3,612,115	2,473,176	753,872	998,514
Serings.....	62,154,396	54,706,295	29,752,787	26,642,325
Sugar.....	547,610	1,260,618	96,993	477,219
All other articles.....	22,325,971	2,506,306	402,582	32,759
Total.....	263,299,744	215,266,136	84,721,265	86,325,546

MINERAL SHIPMENTS—COFFEE AND SUGAR SALES.

The only class of goods in which there was not an increase in shipments to the United States was minerals and mineral products. The decrease in this case was due almost entirely to a falling off in the demand for manganese ore and black diamonds or carbons, and while the decrease is marked, it is well to note that there was a decrease in the shipments to all nations. In animal products there was a slight decrease in exports to all countries, though the United States took substantially the same in 1908 as in 1907. In hides and skins there was a falling off in exports to all nations, but a small increase in shipments to the United States.

For a number of years about 87 per cent of Brazil's exports have consisted of coffee, rubber, tobacco, sugar, herba-mate, cacao, and cotton. During 1907-8 the exports of coffee fell from \$138,398,194 to \$112,327,055, while the shipments to the United States increased from \$46,318,172 to \$52,032,213. In rubber the exports to all countries fell from about \$66,000,000 in 1907 to about \$57,000,000 in 1908, while the exports of this article to the United States fell in about the same proportion. In cacao there was a small decrease, both in general and in shipments to the United States. The increase in the shipments of sugar to all countries, under the Brazilian sugar trust arrangement, amounted to about \$700,000, and of this increase the United States accounted for about \$380,000. Of the other principal exports, shipments of carnauba wax decreased almost 50 per cent from 1907 in the trade in general, while shipments to the United States increased about 30 per cent. Of the less important items, there were none that indicate any material changes in the general

course of trade between the two countries. The decreases in most items merely followed the general course of trade conditions in 1908 as compared with the previous year—a condition which has continued more or less into 1909, in both exports and imports.

TRADE CONDITIONS WITH THE UNITED STATES.

Taken as a whole, the import and export trade of Brazil in 1908 was probably as far below the country's normal as the trade of the country was above the normal in 1907. The immense coffee crop in 1906-7 stimulated unusual imports as a result of the increased exports. The country was not prepared to handle the volume of goods imported and there was the usual reaction, a reaction intensified by reduced exports due to decreased demand for Brazilian products abroad and to excessive exports of the year before. Present indications are that there will be a somewhat slow but more or less certain recovery in both the export and import trade during 1909, which will probably lead to the country's greatest trade year in 1910, if there are no untoward happenings in the meanwhile. This recovery will be aided and perhaps even unduly accentuated by the large coffee crop of the current year and the much larger crop of the season of 1909-10 now expected.

In view of the somewhat extraordinary nature of the trade of Brazil in 1907 and 1908, trade which ran so high in the former year only to fall in the latter year below the record of previous seasons, it is rather difficult to give any adequate outline of the trade situation between Brazil and the United States. Several facts, however, appear to be plain. The first is that the United States not only continues to be Brazil's best customer, taking for its own use and consumption 40 per cent of the latter's total exports and admitting practically all of them free of duty, but that the American market for Brazilian products is widening in both the amount and in the nature of goods it receives. Coffee and rubber continue to go to the United States in immense quantities, and there is no reason to believe that anything will interfere with that trade. Moreover, the United States is taking more of the other products in a way to indicate permanent trade subject to similar stable conditions.

On the other hand, American exports to Brazil show a discouraging disposition to decrease. The United States lost more trade with Brazil in 1908 than any other great trading nation, and this trade was in lines of goods that Brazil could buy from the United States with profit to itself. The tariff system of Brazil, for the revision of which a commission to investigate facts and conditions has been appointed, bears heavily upon many American products. The trade situation has continued so long in this condition that it can not be said to be unnatural or exceptional, so far as these two countries are concerned.

BAHIA.

By CONSUL PIERRE PAUL DEMERS.

The foreign trade of Bahia during 1908 amounted to \$27,478,803, United States currency, a decrease of \$5,500,382 as compared with 1907, but an increase of \$1,396,809 over 1906. The exports and im-

ports amounted to \$17,418,646 and \$10,060,157, respectively, as compared with \$20,338,800 and \$12,640,385 for the preceding year, a decrease of \$2,920,154 in exports and of \$2,580,228 in imports. The balance of trade, however, in favor of the port was \$7,358,489 in 1908 against \$7,698,415 in 1907. The decrease in trade was along general lines, but especially in the exports of tobacco, rubber, coffee, and hides, which showed decreases of \$1,696,764, \$628,902, \$516,567, and \$206,224, respectively, and in the imports of manufactures, principally of iron and steel and of cotton goods. There was an increase of 142,273 sacks (sack=132 pounds) in the exports of cacao, with an increased value of only \$316,791, the prices of that article having averaged 13½ cents per pound in 1908, against 17¼ cents per pound in 1907.

DETAILED STATEMENTS OF IMPORTS AND EXPORTS.

No statistics are yet available as to the percentage of imports into this district from the United States, but it can safely be estimated for 1908 at about 13 per cent, while the percentage of exports thereto was a little over 23 per cent. The principal imports into Bahia from the United States consist of kerosene, lard, lighting machinery and supplies, electric cables, surgical and dental supplies, rubber manufactures, clocks and watches, cod-liver oil, chemical products and medicines, and implements and tools.

The imports into the district, by principal articles, during 1908 were as follows:

Articles.	Value.	Articles.	Value.
Animals, live.....	\$9, 113	Iron and steel, manufactures of—Con-	
Arms and ammunition.....	77, 603	tinued.....	
Breadstuffs:		Engines and motors.....	\$56, 323
Corn.....	20, 429	Locomotives.....	31, 000
Flour.....	647, 530	Machinery—	
Buttons.....	40, 774	Agricultural.....	7, 289
Carriages, cars, etc.:		Industrial.....	309, 555
Automobiles.....	6, 637	Rails, etc.....	181, 545
Cars, railway.....	51, 419	Sewing machines.....	98, 367
Other.....	19, 791	Tools, etc.....	90, 674
Chemicals, drugs, etc.....	252, 030	Wire.....	89, 938
Clocks and watches.....	20, 405	Jute and hemp, and manufactures of..	90, 172
Coal.....	495, 791	Lead, tin, and zinc, and manufactures	
Copper and alloys.....	120, 584	of.....	17, 167
Cotton, manufactures of:		Leather goods.....	48, 969
Cloth.....	103, 646	Linen goods.....	92, 312
Hosiery.....	32, 859	Minerals.....	142, 378
Lace.....	130, 960	Oil:	
Piece goods.....	663, 351	Kerosene.....	323, 870
Thread.....	199, 890	Lubricating.....	23, 974
Wearing apparel.....	27, 348	Olive.....	54, 990
Yarn.....	62, 058	Paper and paper goods.....	246, 500
Dyes, paints, etc., materials for.....	117, 735	Plants, seeds, etc.....	106, 437
Electrical apparatus, etc.....	138, 179	Provisions:	
Fish:		Dairy products—	
Cod.....	779, 280	Butter.....	208, 223
Preserved.....	22, 240	Cheese.....	59, 933
Glass, earthenware, etc.....	210, 279	Milk, condensed.....	44, 290
Hair, feathers, etc.....	14, 515	Meat products—	
Hats.....	30, 325	Beef.....	723, 261
Hides and skins.....	62, 940	Ham.....	6, 655
Instruments:		Lard.....	19, 401
Mathematical.....	28, 262	Wine.....	268, 142
Musical.....	44, 589	Wood, manufactures of.....	115, 509
Surgical, etc.....	17, 920	Wool, and manufactures of.....	141, 831
Iron and steel, manufactures of:		All other articles.....	1, 787, 829
Axles, wheels, etc.....	51, 745		
Bar, rod, etc.....	66, 256	Total.....	10, 060, 157
Cutlery.....	78, 700		

The total exports showed a loss of \$2,920,154 in 1908 from the previous year; those to the United States a decrease of \$1,058,214. The exports, by leading articles, and the share of the United States in each, are shown in the following statement:

Articles.	Total exports.	Share of the United States.	Articles.	Total exports.	Share of the United States.
Cacao.....	\$8,534,601	\$1,971,509	Rosewood.....	\$31,202	\$29,489
Carnauba wax.....	84,315	41,239	Rubber.....		
Cigars and tobacco:			Mangabeira.....	83,097	80,157
Cigars.....	25,210		Manicoba.....	1,479,766	1,117,702
Tobacco, leaf.....	3,729,859		Skins:		
Coffee.....	1,222,646	26,591	Goat.....	634,461	619,649
Hides.....	605,079	91,488	Sheep.....	122,686	54,470
Monazite sand.....	223,003		All other articles.....	284,251	4,362
Oil, whale.....	70,348		Total.....	17,418,646	4,068,413
Palma fiber.....	178,272				
Precious stones:					
Carbons.....	124,005	*81,757			
Diamonds.....	75,755				

EXPLANATION OF COMMERCIAL SITUATION.

The commercial situation can be explained by the fact that there existed during the year a general business and financial depression, as a natural sequence of the 1907 panic in the United States, which caused many large industries, all consumers of Brazilian products, either to curtail their output or to shut down entirely. The effects of the panic were felt here through the whole year, and, as a matter of fact, are still felt materially. The demand for Bahian products was not as active as before, and consequently prices fell to low levels. Money was exceedingly scarce, merchants were conservative in placing their orders, the market was practically at a standstill, and the stocks and bonds of a good many Brazilian companies have substantially decreased in value, which facts caused not a few well-established firms almost to lose their equilibrium, and actually forced one of the oldest and most reliable banking institutions in this State to suspend its payments on February 15 last.

The year 1909, however, has started under brighter auspices and promises to be a record one. Conditions in the United States having gradually become normal and confidence having been restored, the change has been felt in this district.

Many large American industries that had stopped operations reopened their factories with renewed activity, and the raw products of this district again began to be in demand at improved prices. Rubber and hides especially have been active since January. Excepting coffee, the cultivation of which is gradually becoming neglected in this State on account of low prices and poor transportation facilities, the crops for the coming year promise to be good. It is estimated that the production of tobacco alone in 1909 will exceed that of 1908 by at least 400,000 bales (bale = 154½ pounds).

The prosperity of this State will always depend upon its agricultural and mineral, as well as animal and vegetable, resources, and as the United States offers a favored market for these products, it follows that any condition arising in the United States that may affect its prosperity will necessarily be felt here.

HEALTH AND CLIMATE—SHIPPING.

The health of this port of 265,000 inhabitants can be considered, under ordinary and normal circumstances, as fairly good. During 1908, however, the city was visited by the bubonic plague and by yellow fever, while smallpox and dysentery appeared in epidemic form, which facts raised the rate of mortality for the year to 21.71 per 1,000, against 18.06 per 1,000 in 1907. The total deaths registered for the year were 5,754, as compared with 4,784 during 1907. The births, not including the stillborn, were 2,958 and 2,676 for 1908 and 1907, respectively.

There has been no material change during the past year in the ocean service between Bahia and foreign ports. There were 646 vessels, of which 565 were steamers, entered during the year, against 584, of which 508 were steamers, in the preceding year, an increase of 57 steamers. The total tonnage was 1,881,281, as compared with 1,598,978 in 1907, an increase of 282,303 tons. British shipping showed an increase of 33 steamers; German, 22; and French, 10. As usual, no American merchant vessel called here during the year. Besides the above, 1,402 small Brazilian coasting vessels, with 328,091 tons registered, entered the port, against 1,297 similar vessels, with 255,864 tons, in 1907, an increase of 105 vessels and of 72,227 tons.

PARA.

By CONSUL GEORGE H. PICKERELL.

During 1908 business fell off in the State of Para, but it is worthy of note that the increase up to June, 1909, over the corresponding period in 1908 has been about \$800,000, due almost entirely to an improvement in the price of rubber. Generally speaking, business is in better condition and the future more encouraging than at the same time last year. Merchants have curtailed their purchases, and real effort is being made to conduct rubber operations in accordance with the most strict business methods.

The improvements on the river front continue to show satisfactory progress and there is every reason to believe that before the close of the present year it will be possible for vessels of ordinary draft to come alongside and discharge their cargoes. This will mean a considerable saving in time, and should prove a great convenience to the merchant public. The Madeira and Mamore Railroad Company continues to report progress, some 40 miles of track being ready for use and a much larger amount ready for the rails.

A greater number of traveling salesmen visited this consulate in 1908 than in the preceding year, and they were men who thoroughly understood their business. Statistics are not obtainable as to the amount of business for the past year originating in the various countries, but it seems certain that imports from the United States showed no decline.

A decline of about \$2,000,000 a year for the last three years is to be noted in the exports of the products of the State, for, while the exports of purely local products from Para amounted to \$16,420,938

in 1906, in 1907 they had declined to \$14,426,714, and in 1908 had dropped to \$12,535,370, as is shown by the following table:

Articles.	Value.	Articles.	Value.
Cacao.....	\$253,913	Hides and skins—Continued:	
Cattle.....	765	Deerskins and other.....	\$28,409
Fats, animal.....	747	Nuts, Brazil.....	416,405
Feathers, egret.....	7,038	Rubber:	
Fish sounds.....	34,632	Crude.....	11,691,764
Gold, residue.....	150	Mangabeira.....	665
Hides and skins:		Wood.....	25,550
Green, salted, and dried.....	73,596	Total.....	12,535,370
Dried and stretched.....	1,766		

RUBBER THE CHIEF ITEM OF EXPORT.

Rubber was, as heretofore, the principal item of export from the State of Para, with Brazil nuts, cacao, hides, and fish sounds forming the major part of the balance of the outgoing commerce. In addition to the local production of caoutchouc, rubber grown in the Federal Territory of Acre passes through the port of Para in large quantities, the total value of the 1908 shipments from that district being \$6,354,224, on which customs duties amounting to \$1,270,846 were paid. The following table shows the receipts at Para of rubber from the Federal Territory, the amount graded and exported, with the official value and duty collected, in 1908:

District.	Receipts.	Exports.				
		Quantity.			Value.	Duty collected.
		Fine and medium.	Sernamby and Caucho.	Total.		
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>		
Acre.....	6,514,961	4,720,078	1,683,477	6,403,555	\$3,624,206	\$724,845
Purus.....	2,449,515	1,588,426	772,655	2,361,082	1,320,963	264,194
Jurus.....	2,613,516	2,036,247	502,154	2,538,402	1,409,055	291,807
Total for 1908.....	11,577,992	8,344,751	2,958,286	11,303,039	6,354,224	1,270,846
Total for 1907.....	11,950,705	8,352,047	3,149,322	11,501,369	8,837,572	2,032,628
Decrease.....	372,713	7,296	191,036	198,330	2,483,348	761,782

The Acre shipments of rubber in 1908 fell \$2,483,348 behind the 1907 foreign sales, but were about equal to the 1906 trade. The growth of the rubber industry in the territory during the past six years, gauged by the official value of the shipments passing through the Para customs and the tax collected, is indicated in the following table:

Year.	Value.	Tax.	Year.	Value.	Tax.
1906.....	\$222,710	\$74,223	1907.....	\$6,837,572	\$3,032,628
1904.....	2,097,675	409,928	1908.....	6,354,224	1,270,846
1905.....	7,821,861	1,413,119	Total.....	31,702,998	6,642,584
1906.....	6,368,956	1,441,840			

Peru and Bolivia also contributed to the amount of rubber shipped through the port of Para, the 1908 traffic, however, being \$1,199,661 less than the total from these two countries in 1907, but greater than the 1906 aggregate by the small margin of \$20,914. The trade in rubber grown in these two neighboring countries and passing through Para, during 1906, 1907, and 1908 is shown in the following statement:

Country.	1906.		1907.		1908.	
	Pounds.	Value.	Pounds.	Value.	Pounds.	Value.
Peru.....	366,406	\$251,963	1,670,623	\$1,002,932	66,585	\$35,663
Bolivia.....	2,600,726	1,884,208	3,057,527	2,363,834	3,535,877	2,121,442
Total.....	2,967,132	2,136,191	4,728,150	3,366,766	3,602,462	2,157,105

TRADE WITH THE UNITED STATES—SHIPPING STATISTICS.

The value of the exports declared for shipment to the United States through the consulate at Para and the agencies at Manaus and Maranham was \$52,130,439. Rubber formed \$50,961,803 of this amount, and included shipments not only from Para and Acre, but also from the entire territory embraced within this consular district. The articles were:

Articles.	Value.	Articles.	Value.
Balsam copaiba.....	\$18,002	Rubber.....	\$50,961,803
Beans, tonka.....	2,603	Skins, deer.....	81,470
Cacao.....	334,882	Wax, carnauba.....	25,260
Curios.....	5,000	All other articles.....	1,048
Feathers.....	23,180	Total.....	52,130,439
Guarana.....	5,606		
Nuts.....	671,585		

The declared value of the exports from the agency at Manaus to the United States for 1908 was \$14,959,216, the leading items being: Old copper, \$1,507; emigrants' effects, \$5,000; feathers, \$1,250; nuts, \$286,952; and rubber, \$14,664,044.

There were 836 steamers and 217 sailing vessels, with an aggregate of 961,423 tons, which entered the port of Para in 1908. Of the steamers, 519 were Brazilian, 266 British, and 45 German. Not one flew the American flag, yet 33 of those with the British ensign and 10 of the Brazilian vessels came from New York. Craft trading exclusively in the rivers of the State of Para are not included in the figures just given, nor are the fishing schooners.

COAL IMPORTS INCREASING.

Coal and coke are bought in foreign markets for domestic use and for coaling the numerous ships that reach Para, and imports have more than doubled in the last decade. In 1900 the imports amounted to 60,479 tons; in 1905, 68,174 tons; in 1906, 97,608 tons; in 1907, 126,248 tons, a gain of almost 30,000 tons; and in 1908, 126,089 tons,

a very small loss from the preceding year, but still more than twice the 1900 importations. Some idea of the extent of incoming and outgoing business of this port can be gained from the following table of official values of the merchandise handled by the customs department during the last three years:

	1906.	1907.	1908.
Imports:			
Dutiable.....	\$12,306,285	\$16,960,254	\$12,412,456
Free of duty.....	2,282,255	3,768,430	3,543,238
In transit.....	885,410	1,113,708	643,375
Reexported.....	27,067	12,450	13,716
Diverted to other vessels through Para.....	1,841,162	2,841,015	114,122
Reloaded.....	10,021	3,456	25,233
Exports of rubber from the Acre territory.....	6,268,956	8,637,572	6,354,224
Total.....	23,710,176	33,536,883	23,106,364

The volume of traffic, expressed in number of packages entered and cleared at the custom-house, was as follows: 1908, entered 2,638,394, cleared 2,609,532; 1907, entered 2,525,909, cleared 2,418,067; 1906, entered 1,702,860, cleared 1,680,196. The customs collections on account of portage, labor, etc., were \$83,142 in 1906, \$105,153 in 1907, and \$110,389 in 1908.

REVENUES DECREASING.

The falling off in the business of the State of Para produced a corresponding decrease in the taxes collectible, and the revenue of the State amounted in 1908 to \$3,110,730 from sources which, in 1907, produced \$3,514,911, and in 1906, \$4,039,147. Of the amount collected in 1908, municipal taxes made up \$417,645, the remainder being export duties as follows:

Articles.	Rate.	Amount.	Articles.	Rate.	Amount.
	<i>Per cent.</i>			<i>Per cent.</i>	
Cacao.....ad valorem..	6	\$33,335	Rubber:		
Cattle.....head.....	\$2.40	41	Crude.....do.....	22	2,572,188
Feathers, egret.....ad valorem..	25	1,758	Mangabeira.....do.....	15	131
Fish sounds.....do.....	5	1,732	Skins.....do.....	10	2,841
Fats.....kilo.....	\$.009	102	Wood.....do.....	6	1,533
Gold, old.....ad valorem..	5	8			
Hides.....do.....	17	12,806	Total.....		2,693,065
Nuts.....do.....	16	66,610			

Among what are termed import duties levied by the Federal Government are included a tax upon merchandise intended for consumption, a tax of 2 per cent upon cereals, labor charges on goods admitted free of duty, a charge for guarding and superintending the handling of the merchandise and for storage, and a tax for weighing and valuing. Lighter and dock dues are also collected by the custom-house officials, and a supplementary tax of 10 per cent on free imports. A tax of 5 per cent upon the official value of rubber originating in the federal territory of Acre and shipped by way of Para is collected by the officials of that port. Stamp taxes of various kinds, a tax of 5 per cent on the value of federal lottery tickets, a tax upon dividends,

rent of marine lands, and the judiciary tax are termed interior taxes. Under the head of consumption taxes such articles as tobacco, liquors, matches, boots and shoes, salt, candles, perfumery, pharmaceutical specialties, vinegar, preserves, playing cards, hats and caps, walking sticks, cottons, and foreign wines all contribute to the support of the Federal Government. The amount which each of these taxes contributed in 1908 is shown in the following table, in comparison with the 1907 income from the same sources:

	1907.	1908.		1907.	1908.
Imports.....	\$6,056,028	\$4,221,900	Consumption tax.....	\$516,370	\$389,171
Entrance and clearance of vessels.....	18,094	18,088	Extraordinary taxes.....	896	1,067
Supplementary taxes.....	10,396	6,786	Special taxes.....	2,176,515	1,018,747
Exports.....	444,807	732,895	Deposits.....	72,953	57,089
Interior taxes.....	288,331	255,665	Total.....	9,584,390	6,699,367

IMPORTS WHICH PAY NO DUTY.

Special laws exempt from duty certain materials and merchandise intended for the government of the State of Para, for the municipal administration of the city of Para, for the Para Electric Company, the Para Industrial and Agricultural Syndicate, and for the Compañía de Comercio y Navegación. Contracts with the Government relieve from the payment of import fees merchandise intended for telegraph and railway companies, the Brazilian Lloyd, the Port of Para Company, etc. Under the existing tariff coal and coke, live plants, seeds, eggs, and supplies for the treasury, war, navy, and public works departments of the Federal Government are admitted without the payment of customs duties, and the free entry of goods under these three heads entailed a loss to the treasury of \$782,093 in 1908, or \$1,593,964 in the last three years. The following table shows the character of the exemptions, the official value of the merchandise, and the loss to the treasury in each of the years 1906, 1907, and 1908:

Character of exemption.	1906.		1907.		1908.	
	Value.	Loss.	Value.	Loss.	Value.	Loss.
Laws and contracts with Federal Government.....	\$1,169,897	\$200,570	\$2,877,340	\$591,546	\$2,604,643	\$744,147
Tariff.....	1,112,359	8,398	891,090	14,358	938,595	37,946
Total.....	2,282,256	208,968	3,768,430	605,904	3,543,238	782,093

PERNAMBUCO.

By CONSUL GEORGE A. CHAMBERLAIN.

The year 1908 in Pernambuco, while it showed a decrease in imports, was brightened by high prices in sugar for home consumption, the main product of the district. This condition made money generally more free and relieved the credit stress on planters and lenders both in Pernambuco and in the neighboring States of Alagoas and Parahyba.

The city export tax on everything leaving the limits of the municipality of Recife, the port of Pernambuco, continued to weigh heavily on commerce, and toward the end of the year its oppression was so felt as to lead to a general movement on the part of the merchants for its modification, along with that of local taxation on imports. This movement will reach a conclusion in the 1909 budget law and aims at a substitution of indirect taxation for the direct taxes now levied on importers.

Exchange, once so prominent a feature here in foreign commerce, was passive throughout 1908 at 31 cents to the milreis, which reduced speculation on the market to a minimum.

For importers and retailers the year was one of retrenchment and shortened credits, the outward evidence of this policy being the large decrease in imports. In spite of retrenchment overdue credits are supposed to be large and the business standing of importers and the suppliers of upcountry merchants would be considered generally unsound were it not for the promising prospects of 1909.

FAVORABLE CONDITIONS FOR SUGAR INDUSTRY.

The principal industry in Pernambuco is the manufacture of sugar. Conditions are favorable for the introduction of new machinery and new plants. Pernambuco alone has 28 sugar centrals or factories and over 1,000 small cane plantations and old-fashioned mills. These mills are destined to give place to centrals and the change is now going on. Machinery for the new centrals already contracted for will all come from Europe, as English manufacturers are strongly represented here. However, the work of substituting centrals for the old-fashioned mills is bound to continue for years and there is no reason why some American firms who have had experience in outfitting whole plants in Cuba should not secure a footing here through active representation and a special study of the market.

Indications are that 1909 and 1910 will be good years and will relieve the general strain, as two large sources will bring foreign money into the market: The record sugar crop in prospect and the port works, which latter will employ an unprecedented number of native laborers.

Sugar was the keynote of the year's trade. Owing to the successful operation of the local sugar trust, helped by a small crop, prices for home consumption were higher than ever and producers and money lenders were able to readjust credits on a far more satisfactory basis. One house alone is said to have called in \$1,000,000 that had been out at 12 per cent per annum.

The sugar combine was successful for two years in its forcing operation, which consisted in restricting sales to foreign exports up to a fixed date. When the supply was reduced to the needs of the home market, arbitrary prices were established on sales for domestic consumption, which soon wiped out the loss experienced through low prices abroad. The successful operation of the scheme depended on a limited crop and early in the 1908-9 season returns ran so high that certain members of the combine became alarmed and yielded to the temptations of the southern market. By the end of the year the collapse of the combine was foreseen and subsequently took place.

MOVEMENTS OF FOREIGN TRADE.

During 1908 imports into Pernambuco fell from \$13,272,754 to \$11,643,856, a decrease of \$1,628,898 from 1907. On the other hand, Alagoas imports increased from \$1,840,599 to \$2,382,900; Parahyba imports from \$904,468 to \$931,374 and Rio Grande do Norte imports from \$307,318 to \$375,079, a total increase for the three ports connected by rail with Pernambuco of \$636,968.

The imports into Ceara, the remaining State of this consular district, which is commercially cut off from this city and consequently has not benefited from Pernambuco's loss, decreased from \$2,734,080 in 1907 to \$2,167,883 in 1908.

While the total exports from the whole district showed a great decrease in 1908, owing largely to the drought that afflicted the five States without exception, the exports to the United States increased from \$1,919,323 in 1907 to \$2,527,060 in 1908, which was a little over 33 per cent of the total exports of the district. Sugar was responsible for most of the increase.

IMPORTS BY ARTICLES AND BY STATES.

The imports into the Pernambuco district in 1908 were valued at \$17,501,092, distributed as follows:

Articles.	Pernam- buco.	Alagoas.	Ceara.	Para- hyba.	Rio Grande do Norte.
Alpaca, muslin, etc.	\$102,419	\$11,886	\$19,852	\$7,500	\$1,171
Aniline, etc.	56,330	4,392	512	927	
Breadstuffs:					
Flour, wheat.	1,601,845	398,882	324,530	275,112	88,133
Other.	8,374	1,686	1,057	533	120
Calcium carbide.	25,928	5,096	5,911	9,986	
Cars and other vehicles:					
Automobiles, etc.	24,950	466		1,418	1,597
Cars, railway.	54,117		52,626		6,064
Other.	11,442	2,462	9,400	247	1,611
Coal, etc.	655,827	22,559	27,130	42,174	22,504
Copper, and manufactures of.	75,372	12,609	17,808	5,501	2,702
Cotton, manufactures of:					
Piece goods—					
Bleached.	136,260	19,420	60,402	13,197	8,477
Dyed.	315,237	44,610	128,502	39,682	17,444
Prints.	235,958	55,706	68,282	45,143	22,014
Other.	173,806	60,578	43,490	25,206	13,740
Yarn.	56,875	34	93	57	
All other.	185,253	35,958	59,934	17,622	3,273
Electrical appliances.	26,109	7,138	3,803	1,259	87
Fish, cod.	1,329,468	394,597	1,897	251	117
Frames, picture, etc.	131,306	1,794	3,220	507	598
Glass and china ware.	129,333	50,027	24,668	15,564	4,429
Hats.	32,623	3,760	8,511	3,507	1,233
Iron and steel, manufactures of:					
Axles, wheels, etc.	79,648	2,827	6,525	91	189
Bars and sheets.	63,062	10,621	14,794	10,508	450
Cutlery.	27,717	9,095	15,113	5,017	298
Galvanized roofing.	15,977	524	2,156	381	
Implements and tools.	103,151	24,826	40,271	16,969	7,851
Machines and machinery—					
Agricultural.	73,577	14,632	1,973	1,754	3
Boilers, etc.	35,465	25,048	5,213	2,250	617
Industrial.	274,534	121,343	7,673	17,545	2,598
Locomotives and parts.	131,306	4,388	44,912	4,788	
Motors, etc.	22,030	29,004	3,460	10,042	3,417
Sewing machines.	46,562	14,703	7,493	5,009	978
Typewriters.	4,278	1,134	571	166	
Other.	182,385	28,153	43,803	18,328	12,127
Pumps, etc.	11,465	9,387	4,317	337	112
Rails.	170,644	122,068	234,506	15	20,451
Wire.	61,339	43,566	29,874	8,266	5,034
All other.	150,431	47,503	27,184	10,444	2,968
Jewelry.	16,087	1,783	5,047	19	
Leather, manufactures of:					
Boots and shoes.	27,377	3,049	3,947	1,114	30
Other manufactures.	42,146	9,437	9,989	2,948	1,182

Articles.	Pernam- buco.	Alagoas.	Ceara.	Para- hyba.	Rio Grande do Norte.
Linen goods.....	\$76,898	\$6,420	\$27,080	\$6,689	\$5,370
Lumber.....	62,469	3,568	9,592	1,307	1,370
Oils:					
Cod-liver, etc.....	4,760	294	790	159	.....
Kerosene.....	384,809	141,222	65,925	88,401	25,372
Lubricating.....	31,817	2,943	4,463	590	308
Paper, and manufactures of	259,452	31,356	29,999	18,700	5,932
Paraffin.....	9,785	277	32	114	.....
Perfumery.....	41,084	5,733	17,681	2,081	.....
Photographic supplies.....	7,323	162	2,243	11	321
Pipes, tobacco.....	21,914	10,436	29,712	7,391	948
Provisions:					
Dairy products—					
Butter.....	207,563	55,302	30,251	28,655	4,807
Cheese.....	40,623	5,135	825	2,444	101
Meat products—					
Bacon.....	16,145	11	69	263	4,807
Beef, jerked.....	1,316,936	10,267	9,904	.....	.....
Silk goods.....	54,025	8,993	20,749	2,308	374
Soap, etc.....	181,513	19,922	32,521	12,055	535
Spirits, wines, etc.....	268,215	31,955	55,095	15,808	9,008
Thread.....	194,575	35,990	56,264	9,273	2,602
Toys.....	10,250	2,583	2,925	2,615	139
Turpentine.....	1,658	206	219	58	40
Wearing apparel.....	43,707	5,936	14,617	3,469	111
All other articles.....	1,675,307	346,793	375,678	115,776	58,775
Total.....	11,643,856	2,382,900	2,167,883	931,374	375,079

RECEIPTS OF FLOUR.

In imports of flour the United States continued through 1908 to lose to Argentina. While the United States gained 1,212,797 kilos (kilo=2.2 pounds) in Pernambuco to Argentina's 1,028,094 kilos gain over 1907, the latter increased its exports into the more northern ports of the district, Ceara and Natal, by 2,652,763 kilos, while the United States gained only 154,476 kilos. This shows that the preference in import duties on American flour is not sufficient to save the Brazilian market to the United States except in the Amazon Valley where freight conditions are more equal.

No small part of Pernambuco's increased import of American flour during the year was due to propaganda and advertising by an expert salesman. Many of the finest brands of the American article found ready acceptance, while the cheap brands were outclassed by Argentine flours; therefore the United States has a chance to regain much of the market through superior quality of flour and proper propaganda.

The imports of flour into the Pernambuco consular district from the three principal countries during the past two years were as follows, quantities being given in kilos of 2.2046 pounds. The figures for 1908 are provisional and the 1907 statistics from custom-house records.

Port.	United States.		Argentina.		Austria-Hungary.	
	1907.	1908.	1907.	1908.	1907.	1908.
	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>
Pernambuco.....	5,074,279	6,287,076	14,770,038	15,798,132	4,584,412	4,235,560
Ceara.....	3,683,330	3,646,174	218,750	1,980,000	4,375	2,058
Macelo.....	1,054,748	1,420,714	2,012,500	3,201,000	968,875	1,157,565
Natal.....	89,000	280,632	437,500	1,329,013	.....	.....
Total.....	9,901,357	11,634,596	17,438,788	22,308,145	5,555,662	5,395,183

EXPORTS FROM THE DISTRICT.

The total exports from this consular district in 1908 amounted in value to \$7,320,704, against \$13,017,216 in the previous year, a decrease of \$5,696,512. The articles and their value, by states, were:

Articles.	Pernam- buco.	Alagoas.	Ceara.	Parahyba.	Rio Grande do Norte.
Cotton.....	\$334, 113	\$320	\$42, 778	\$304, 435	\$22, 082
Cotton, waste.....	17, 522	2, 243			
Hides.....	21, 673	58, 345	246, 865	50, 648	5, 831
Metal, scrap.....	22, 450				
Rubber.....	18, 108	1, 491	659, 861	354	196
Seeds:					
Castor.....	5, 704				330
Cotton.....	260, 030	27, 608	3, 100	251, 514	7, 125
Skins.....	504, 473	484, 695	1, 089, 657	501, 524	1, 866
Sugar.....	1, 088, 733	296, 084			
Wax, carnauba.....	360, 823		423, 389		695
All other articles.....	163, 899	28, 227	15, 575	7, 660	9, 684
Total.....	2, 777, 523	898, 013	2, 481, 225	1, 116, 135	47, 808

The declared value of the exports from Pernambuco, including the agencies at Ceara, Natal, and Maceio, to the United States during 1908 was \$2,527,060, against \$1,919,323 in 1907. The articles were as follows:

Articles.	Pernam- buco.	Ceara.	Natal.	Maceio.
Rubber.....	\$297	\$14, 749	\$15, 458	\$1, 300
Skins and hides.....	702, 580	804, 456		243, 709
Sugar.....	370, 634			47, 462
Wax, carnauba.....	134, 901	178, 015		
Other articles.....	4, 289	1, 387	152	7, 671
Total.....	1, 212, 701	998, 607	15, 610	300, 142

PORT WORKS, RAILWAYS, DEATH RATE, AND STEAMSHIP SERVICE.

The Pernambuco port works were contracted for in August, 1908. The loan for the work guaranteed by the Federal Government was successfully floated, and 1909 will see a start made on this long delayed public improvement.

The main railway system in the district is the Great Western of Brazil, with branches running to the capital of Alagoas on the south and the capital of Rio Grande do Norte on the north and branches extending inland to Vicosá, Garanhuns, Pesqueira, and Campina Grande. From these points the system will be extended as money conditions and government contracts allow. The most important event of the year for the system was the joining of all its lines in Pernambuco, so that a central station can at any time be substituted for the three terminals now in use and rolling stock from one line made available on any other.

Outside of the region served by the Great Western of Brazil, active work is reported on railways to join Therezina in Piauí to Crato, Ceara; to extend the Sobral, Ceara, railway; to extend the Baturite, Ceara, railway; to build a railway in Rio Grande do Norte; to join Maceio, Alagoas, to Propria, Sergipe.

The death rate in Pernambuco in 1908 was 38.01, which compares favorably with 40.53 in 1907. The decrease was wholly due to the 1,000 fewer deaths from smallpox. The increase in tuberculosis, which is endemic, brought that source of death up to 1,363, the total for deaths from all causes being only 7,802. The notable feature of the health table, however, is the acknowledged presence of yellow fever, one death being admitted in 1907 and nine in 1908.

Steamers from New York were frequent throughout the year, but return sailings with cargo were few, only 35 ships sailing for United States ports during 1908. In April a monthly call service from Argentina for New York by way of North Brazil and Cuban ports was started, but as these ships take forty and fifty days for the voyage from Pernambuco they have done nothing to help the mail situation. Two American merchant vessels called at this port during the year for provisions only.

RIO DE JANEIRO.

By CONSUL-GENERAL GEORGE E. ANDERSON.

The foreign trade of Rio de Janeiro in 1908 compared with that of 1907 shows in a general way the trend of trade for all Brazil. In exports the bulk of the trade depended upon the coffee crop of the states of Minas Geraes and Rio de Janeiro instead of that of Sao Paulo, and the exports fell from \$35,964,495 in 1907 to \$29,804,961 in 1908. In imports there was a decrease from \$96,597,881 in 1907 to \$70,032,416 in 1908. This decrease, however, is more apparent than real, being due mostly to decreased imports of foreign money for banking purposes. The actual decrease was about the same as that for all Brazil.

While this decrease in imports and the decreased sale of Brazilian products abroad naturally made a poor year's trade, the results of the operations on the whole are probably as beneficial to Brazil as they would have been had the volume of trade on both sides of the ledger been larger, and certainly are more favorable than any course of events that would have endangered the rate of exchange. Present indications are that the rate of exchange for the paper currency established by the Brazilian Government in its exchange bureau will be maintained.

GAIN IN SHIPMENTS TO THE UNITED STATES.

While the record of exports from the district shows a decrease of nearly \$6,000,000 compared with 1907, the shipments to the United States show an increase of substantially \$3,000,000, the United States taking about 37 per cent of the exports from the district in 1907 and about 45 per cent in 1908. The general decrease was upon almost all items of the eight or ten products constituting nearly the whole of Brazil's exports. In hides and animal products generally there was a loss of 7½ per cent compared with 1907, the United States, however, taking a considerable increase in dry hides, chiefly goat, lamb, and calf. The decreased exports of minerals to all countries amounted to about 16.6 per cent, manganese accounting for most of the loss. The exports of manganese fell from \$2,275,650 in 1907 to \$1,201,090 in 1908, while the exports of the ore to the United

States fell from about \$530,000 to about \$118,000. In monazite sand there was an increase in the exports, and the shipments abroad of gold in bar increased from \$1,981,585 to \$2,196,000. The exports of all vegetable products, consisting chiefly of coffee and sugar, fell from \$29,849,040 to \$24,813,425. Coffee fell from \$28,917,805 to \$23,737,649, though the exports of coffee from the district to the United States increased from about \$13,000,000 to about \$16,000,000. Manicoba rubber fell from \$87,535 to \$50,630, none going to the United States in 1908. There was a notable increase in the exports of sugar from the district, in line with the export agreement of the Brazilian sugar combination. The United States took a considerable portion of the increase, although the volume of sugar shipments to the United States was not large, there having been none in 1906 or 1907. In a general way, the exports from the district for the year show the dependence of Brazil upon its coffee crop in this portion of the country.

There is a movement in the direction of a diversification of trade as may be indicated by the increased shipments of a number of products like hides, carnauba wax, monazite sand, and gold bar. But the fact that exports of some of its more staple products in such lines like manganese ore have fallen away does not promise much for such diversification in the district or in Brazil as a whole.

IMPORTS INTO THE DISTRICT.

The imports into Rio de Janeiro in 1908 follow in a general way the imports of Brazil as a whole. The chief item in the decrease was that of foreign money. The falling off in imports in other lines was substantially the same as that for all Brazil, being considerably greater in manufactured goods than in foodstuffs and supplies. This decrease in manufactured goods, which is most noticeable in the imports of the more common cotton goods and the cheaper grades of many other manufactured goods, is due to a large extent to the development of local industries.

The imports, by articles, into the Rio de Janeiro consular district in 1907 and 1908, respectively, were as follows, values being given in United States currency:

Articles.	1907.	1908.	Articles.	1907.	1908.
Aluminum, manufactures of.....	\$20, 975	\$33, 700	Electrical apparatus and supplies.....	\$1, 396, 218	\$1, 430, 865
Animals, live.....	211, 202	273, 178	Flax.....	174, 271	113, 039
Animal deposits.....	194, 348	127, 233	Gold, silver, etc., manufactures of.....	1, 564, 835	902, 308
Arms and ammunition.....	317, 276	451, 328	Hair, skins, feathers, and manufactures of.....	206, 554	148, 506
Cars, carriages, etc.:.....			Hides, etc.....	1, 199, 120	966, 689
Automobiles.....	471, 396	561, 086	Instruments:		
Railroad cars, etc.....	132, 094	244, 210	Mathematical.....	165, 680	203, 842
Chemical products.....	1, 685, 495	1, 683, 573	Musical.....	261, 557	289, 239
Clocks.....	39, 689	47, 825	Surgical.....	232, 542	218, 242
Coal.....	5, 438, 373	5, 607, 010	Iron and steel, manufactures of:		
Codfish.....	967, 292	1, 076, 251	Bars, etc.....	578, 163	542, 754
Copper, and manufactures of.....	1, 456, 363	1, 171, 413	Cutlery.....	310, 099	182, 090
Cotton, and manufactures of:			Engines and motors.....	212, 479	202, 204
Raw.....	656, 580	732, 387	Hardware.....	2, 565, 644	2, 179, 501
Piece goods—			Locomotives.....	614, 851	642, 963
Dyed.....	1, 600, 047	1, 084, 229	Machinery.....		
Prints.....	874, 088	434, 105	Agricultural.....	70, 077	92, 582
Unbleached.....	85, 232	74, 120	Industrial.....	779, 425	815, 519
White.....	602, 389	429, 646	Pumps.....	48, 261	98, 633
Other manufactures.....	2, 954, 164	2, 298, 139			

Articles.	1907.	1908.	Articles.	1907.	1908.
Iron, etc.—Continued.			Paints, perfumeries, etc.	\$1,632,543	\$1,524,706
Railroad rails.....	\$1,970,854	\$1,478,484	Plants, seeds, etc.....	318,724	355,863
Rods, etc.....	460,128	567,726	Porcelain and glassware..	1,262,828	678,262
Scales.....	14,431	25,788	Provisions:		
Sewing machines.....	450,020	255,478	Flour.....	1,170,303	857,360
Sheets.....	486,491	393,581	Lard.....	564,062	206,375
Typewriters, etc.....	60,442	70,809	Milk, condensed.....	153,310	199,393
Other.....	1,748,886	1,904,258	Silk, and manufactures of.	620,140	625,887
Jute and hemp, and man- ufactures of.....	1,373,461	1,065,240	Stones, earths, minerals, etc., and manufactures of.....	3,001,607	2,937,620
Lead, tin, zinc, and manu- factures of.....	319,429	252,037	Wood, manufactures of.....	2,067,469	1,787,770
Leather, and manufac- tures of.....	580,003	488,950	Wool, and manufactures of.....	2,126,078	1,798,181
Linen goods.....	575,253	510,412	All other articles.....	6,261,610	25,418,312
Marble, etc., manufac- tures of.....	75,880	41,770	Total.....	76,477,501	69,920,476
Oils:			Bullion and currency.....	20,120,380	111,940
Kerosene.....	725,046	811,122	Grand total.....	96,597,881	70,082,416
Lubricating.....	330,741	356,184			

TRADE MOVEMENTS IN COMMODITIES.

The increased imports of live animals are due almost altogether to purchases of finestock for breeding purposes. About 12 per cent of this increase was in shipments from the United States. Decreased imports of jute are due to the smaller coffee crop and the smaller number of bags required for it. The United States has practically none of this trade. The decrease in imports of lumber into Rio de Janeiro was largely at the expense of the United States, both Canada and Norway holding their trade. The decrease in turpentine, mostly at the expense of the United States, is more than compensated for by imports of prepared paints from that country. There was an increase in the imports of coal due to the increased tonnage of shipping entering the port, but the United States is not figuring in this trade to any extent. In imports of leather, cotton goods, general hardware, woolen goods, and most articles of common consumption there is a falling off of about 12 per cent, which corresponds to the general falling off in imports for all Brazil and is to be ascribed to general conditions. The increased imports of kerosene were all from the United States.

AUTOMOBILES AND MACHINERY—FOODSTUFFS.

The increase in imports of automobiles was due largely to the vehicles purchased for passenger purposes, such as omnibuses and taxicabs. The United States secured none of this special trade and actually lost trade both in all Brazil and in Rio de Janeiro. The increase in the imports of railway and tramway cars gave the United States about \$150,000 of new business in Rio de Janeiro. The decrease in imports in several lines of machinery and tools, especially sewing machines, was almost altogether at the expense of the United States, the only reason apparent being that the country was overstocked. The United States, however, had practically none of the increased imports of electrical machinery, locomotives, and agricultural machinery, three lines of goods in which it has been doing an especially good business in Brazil. There were decreased imports of shoes from all countries, but the United States more than held its own and sold about \$2,000 worth more in Rio de Janeiro in 1908 than in 1907.

The increased imports of codfish, a notable feature in Brazilian trade, included no increase from the United States, the shipments therefrom being less than half of what they were in 1907. The immense decrease in imports of lard was almost entirely at the expense of the United States. The imports of flour into Rio de Janeiro from the United States in 1908 amounted to only 293 metric tons (metric ton=2,204.6 pounds) as compared with 1,934 metric tons in 1907, so that the loss of the United States in this trade in this district was greater than the total loss of all other countries. Of the increased imports of condensed milk the United States had a good share, although at present it furnishes only about 5 per cent of the whole.

WHY AMERICAN SALES DECLINED—DECLARED EXPORTS.

The trade year of 1908 was, on the whole, not at all favorable to American exports to Brazil. Some of the loss of this trade was due to unusually large imports of American goods in 1907 by which the markets were overstocked. The greatest element in the situation, however, is the irregular attention to the market given by American business men. Many American exporters learned that business conditions in Brazil during the year were not favorable and immediately gave up all idea of cultivating the Brazilian field until conditions should improve. As a natural result they lost business which they could well and profitably have had. As a rule American representation in Rio de Janeiro has increased in extent and improved in quality. American exporting interests are better prepared than ever for an active campaign in this city. While the record of 1908 is not encouraging in any material features, there is reason to believe that the current year will show better results.

The record of declared exports from Rio de Janeiro to the United States for 1908 shows a notable increase over the record of 1907, but still falls far short of 1906. While the list of goods shipped from this district to the United States in 1908 is much longer than that of any other year, the value of the exports as a whole depends almost altogether upon shipments of coffee, all other goods than coffee in 1908 forming only about 1½ per cent of the whole.

The total declared exports to the United States from this district for the past two years were as follows:

Articles.	1907.	1908.
Coffee.....	\$12,728,762	\$16,177,230
Manganese ore.....	532,040	117,691
Plants and seeds.....	3,018	2,127
Precious stones.....	42,513	797
Rubber.....	242	
Sugar.....		50,001
All other articles.....	1,792	22,522
Total.....	13,306,367	16,370,458

The appearance of sugar in the list of exports is the result of the operation of the "Colligação," or trust, in Brazil, which provides that a certain portion of the crop each year shall be exported no

matter what the price of sugar in the United States may be as compared with the price in Brazil, the sugar noted in the returns having been sold in the United States for almost exactly one-third the price of sugar in the Rio de Janeiro market.

SANTOS.

By CONSUL JOHN W. O'HARA AND VICE-CONSUL DIRK P. DE YOUNG.

This consular district made more progress in all lines in 1908 than in any other year within the last decade. This progress may not indicate prosperity, but it does indicate advancement and a disposition on the part of the Government to promote the general welfare of the country.

The currency has remained at a price more or less fixed and steady; the coffee crop of the State of Sao Paulo, and the northern part of the State of Parana, while not so large as the production of recent years, was a fair yield and of a good quality, and was sold at prices that enabled the producers to accumulate a surplus. Since the Government limited the amount of coffee to be exported in each year, and prohibited the planting of new coffee plantations, greater care has been given to the proper pruning and cultivation of the trees already planted, with the result that a better grade of coffee is being produced.

AGRICULTURAL CONDITIONS.

Cotton was grown in the State of Sao Paulo in quantities nearly sufficient to supply the local demand, and the growers report less trouble from insects than in previous years.

The cultivation of rice was increased in acreage and in amount produced, so that but little was imported into the country during the past year; in fact, the States of Sao Paulo and Parana were able to supply to some extent the demands of the other portions of Brazil. The interest in the cultivation of this product has kept up, and there is no doubt that the acreage will be greatly increased during the next few years, and that Brazil will be able to supply all local demands.

The cultivation of corn has also attracted some attention among the farmers who have found trouble in making a profit from the growing of coffee, and who are interested in diversified crops. It has been demonstrated at the experimental station of Piracicaba, that with the adoption of American methods and the use of American machinery in the growing of corn, it is possible to produce 80 bushels to the acre. But the great difficulty is to get the agricultural laborer to give the proper time and attention to its cultivation. The use of modern agricultural machinery is advancing very slowly, but where the agriculturist can be induced to use it, the American machinery has an advantage over all others on account of its lightness and durability. Some of the larger warehouses in the city of Sao Paulo are keeping on hand a stock of the implements most needed to supply local demands.

IMPORTANCE OF SANTOS.

The city of Santos is one of the most important, most accessible, and best improved ports in South America. The docks have been extended and improved, and new warehouses built within the last year, and a high tension power plant is being installed, the power to be transmitted from a waterfall some distance up the country. The docks will be operated by electric power as soon as it can be installed, and it is also expected that the city street cars and street lights, and some of the local factories will receive their power from the same plant.

There were many dwelling and business houses erected during the past year in the city, and it is especially noticeable that the plans of the buildings are more modern, and that the material employed in their construction is of a better quality than was formerly used. The work of the sanitary commission is nearly completed, and when it is done Santos will have one of the most complete systems of drainage in South American cities. Provisions are being made to care for all the sewage without taking it to the bay or the river, as was formerly the custom, so that the Santos of the future will be a health resort.

The electrification of the street railways of the city and suburban towns is almost completed. The work is modern and substantial. A movement is now on foot to have another line of railroad enter Santos from Sao Paulo. If this should materialize it would be of great advantage to the shippers, as hitherto freight rates have been very high.

The docks company had a serious strike during the month of September and the first days of October, which paralyzed business during the time it existed, but it is supposed now that the matter is completely settled and that there will be no future trouble.

BUSINESS OF SAO PAULO.

The city of Sao Paulo has continued to prosper, and it is estimated that 300 houses were in course of construction during the year. The last census gives the city a population of 348,000, which it is claimed gives it third place among the cities of South America. There are 145 kilometers (kilometer = .6213 mile) of street railway, operated by the Sao Paulo Light and Power Company, an American-Canadian concern, and the Tramway da Contareira, a local company.

The city is well lighted and its streets are well paved. Many new structures, including public schools, government houses, and municipal buildings, and the second finest theater building in South America have been erected recently. The high tariff on imported goods has encouraged foreign and local capital to invest in factories, and as a consequence nearly all the shoes used in this district are manufactured in the city of Sao Paulo. Hats, caps, coarse cotton goods, and all the jute bagging used for sacking coffee are made here. Beer, matches, and flour for the local market are largely manufactured within the State. The wheat for the flour is imported from Argentina.

The educational facilities are as good as in any city in South America, and great interest is manifested by the public in the matter. Especial attention is given to the improvement and beautification of parks and plazas, and within the last seven years 20,000 shade trees have been planted in the parks and along the public streets.

STATE OF SAO PAULO.

The State of Sao Paulo attracts more attention from the commercial world than any other part of the great Republic of Brazil, on account of its accessibility, its healthful climate, and its prosperous development. Foreign capital has been extensively invested in the State, and these investments have been remunerative, so much so that it is with little difficulty that capital is secured for any new enterprise. English capitalists have in the past led all foreign investors in the amount of capital placed in local concerns, but in the last year French, German, and Belgian industrial firms have become interested in Brazil, and have not only established local warehouses where they sell their own products, but are also buying up local bonds and securities of railroads and other public and private enterprises, and have salesmen traveling over the country securing investments and soliciting trade.

There are English, French, German, Austrian, Belgian, and Italian banks in the city of Sao Paulo, with branches in each of the other cities of the district, and all are doing a profitable business. There are three different English banking concerns located in the district.

RAILROAD IMPROVEMENTS AND EXTENSIONS.

During the past year the work of joining the railroads of the State of Sao Paulo with those of Parana has progressed rapidly. The Sao Paulo and Rio Grande do Sul Railroad is being built northward from the interior of Parana, and has been completed to the border of the State of Sao Paulo, and the Soro Cabana Railroad, building in a southerly direction, is within 60 kilometers of the border line. With this connection made the States of Sao Paulo, Parana, and Santa Catharina will be afforded good railroad facilities for the interchange of travel and business of all kinds. The Sorocabana road is also extending its lines in the valley of the river Paranapaneme, which is one of the richest agricultural regions in Brazil. This line is now constructed to Salto Grande, a distance of 500 kilometers from the city of Sao Paulo, and surveys have been made for a further extension of 150 kilometers.

The Sao Paulo and Rio Grande Railroad is also working actively in a southerly direction, having under construction some 300 kilometers, which brings its line to the river Uruguay on the northern boundary of the State of Rio Grande do Sul. At this point it will connect with a line being built in a northerly direction in Rio Grande do Sul, which is also under construction for the entire distance. With this work completed all parts of the entire southern portion of Brazil will be connected by a railway system. The Sao Paulo and Rio Grande road also has in contemplation, and has made surveys for, a railroad running from the port of Sao Francisco, in the State of Santa Catharina, and passing through the States of Santa Catharina and Parana to the

Parana River, a distance of some 1,000 kilometers. On this line about 100 kilometers are completed and surveys have been made for 500 kilometers more. When this line is finished, these States will have two important railways, one running north and south and the other east and west, making accessible the portion of Brazil richest in timber and for agricultural purposes. The completion of these lines of railroad will make practical the improvement of the harbor at Sao Francisco Bay, one of the best and safest harbors on the east coast of South America. The line extending westward from Sao Francisco is to pass within easy reach of the falls of the Iguassu River, a falls much greater than Niagara. When these roads are in operation, timber may be brought from Parana and yerba mate from Santa Catharina, instead of being taken down the Parana River to Buenos Aires, as is now necessary.

The States of Parana, Santa Catharina, and Rio Grande do Sul have made general advancement in the building and improving of railroads and in the improvement of the harbors at Paranagua, Sao Francisco, and Rio Grande do Sul.

More attention is given to the growing of wheat and the raising of cattle in the State of Rio Grande do Sul and to the cultivation of rice in Parana than in past years. The people of these States are very much encouraged at the prospect of better railroad and shipping facilities.

GOOD ROADS MOVEMENT—IMMIGRATION AND SHIPPING.

This portion of Brazil has taken but little interest in the construction and maintenance of public highways until last year, when the Government began to give attention to the good roads movement. There is no system of highways connecting the cities and towns of the country, and the only means of transportation is by railroads. If this work is carried out as contemplated, it will not only constitute a great improvement and convenience, but will furnish a good market for American road-making machinery and vehicles.

The local governments of the States of this district are offering inducements to immigrants from European countries and Japan, by the payment of passage money and the allotment of agricultural lands to actual settlers. They have succeeded in locating a goodly number of families and are encouraging them in the cultivation of corn, cotton, beans, and all kinds of fruits and vegetables. It is hoped in this way to develop the general agricultural resources of the country and enable the immigrant to acquire a home, instead of becoming a mere laborer on a coffee plantation, as he has been compelled to be in the past.

Of 1,452 ships, the total number entering and clearing from the port of Santos during 1908, 540 were Brazilian, 351 English, 190 Italian, 125 French, 120 German, and 126 of various other countries, including 1 American sailer which called in ballast.

VALORIZATION PLAN.

The government of the State of Sao Paulo, in order to maintain its plan of valorization and create a demand for the 8,000,000 bags of coffee purchased by it and withdrawn from the market passed a law

in September, 1908, which, in effect, limits the exportation for the coffee year ending June 30, 1909, to 9,000,000 bags, for 1910 to 9,500,000 bags, and for each subsequent year to 10,000,000 bags. This law in addition to putting on a surtax of 5 francs (franc=19.3 cents) per bag to pay storage, interest, insurance, and other expenses incident to the storing of the coffee in foreign warehouses, provides for an additional export tax of 20 per cent on all coffee exported in excess of the amount specified. The result of the enforcement of this law is to leave a surplus in the hands of the planters and local buyers, and this surplus will go in with the crops of 1909 and 1910. The indications are favorable for a large crop.

FOREIGN TRADE MOVEMENTS.

The principal feature of the commerce of the port of Santos in 1908 as compared with 1907, was a decided shrinkage in both imports and exports. The falling off was no doubt due to the same causes affecting business in other parts of Brazil, the United States and Europe, intensified by the effects of coffee valorization; and, also, somewhat of a natural reaction from the excellent business of the previous year.

The decrease in exports was approximately 19 per cent, and in imports about 17 per cent. Europe fell behind in buying from Santos, the United States taking about 15 per cent more in 1908 than in 1907, or practically 40 per cent of the total exports of the year. In the shrinkage of imports all of the leading countries except the Netherlands and Belgium, whose trade was slightly increased, suffered about the same, ranging from 18 to 25 per cent less than in 1907. The United States furnished about 10 per cent of the imports in return for 40 per cent of the exports.

The total foreign trade of Santos for 1908 was valued at \$118,658,179, against \$145,671,389 for the previous year, a decrease of \$27,013,210. Of this decrease \$6,526,545 was in imports and \$20,486,665 in exports. The trade, by principal countries, is shown in the following comparative statement:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$4,719,211	\$3,601,336	\$28,882,310	\$33,003,920
Argentina.....	5,226,405	4,899,837	1,077,360	1,100,187
Austria-Hungary.....	519,113	444,660	5,656,001	5,846,569
Belgium.....	1,191,570	1,284,823	12,148,800	3,166,732
Chile.....	83,291	92,303	9,505	18,809
France.....	2,991,077	2,476,640	17,767,097	7,343,981
Germany.....	7,546,700	5,830,800	23,788,834	18,336,985
Italy.....	4,222,742	3,475,747	911,197	1,464,085
Netherlands.....	190,632	252,120	9,371,208	9,171,305
Portugal.....	1,892,134	1,429,058	12,414	6,978
Spain.....	290,982	256,033	745,909	1,046,985
United Kingdom.....	10,244,374	8,714,626	4,020,060	1,942,313
Uruguay.....	284,775	230,806	18,197	35,570
All other countries.....	1,699,142	1,565,814	181,299	719,147
Total.....	41,061,148	34,554,603	104,590,241	84,103,576

The principal articles imported in 1907 and 1908, respectively, were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Arms and ammunition...	\$218,019	\$249,209	Jute.....	\$1,616,581	\$827,499
Breadstuffs:			Lead, tin, etc.....	127,142	147,234
Flour.....	2,323,460	1,274,057	Oil, kerosene.....	528,526	705,792
Wheat.....	2,792,560	3,451,549	Paints, perfumes, etc.....	336,113	211,635
Cement.....	278,645	516,521	Paper, books, etc.....	597,026	734,167
Coal.....	1,368,787	1,241,167	Pharmaceutical goods.....	684,343	378,066
Copper, and manufactures of.....	413,392	430,434	Plants, seeds, etc.....	306,835	315,915
Cotton.....	2,607,348	2,361,222	Shoes, leather.....	824,493	793,900
Foodstuffs.....	10,180,069	10,442,764	Silk, and manufactures of.....	340,488	370,681
Glass, porcelain, etc.....	446,246	430,557	Wood, and manufactures of.....	386,600	283,477
Iron and steel, and manufactures of:			Wool, and manufactures of.....	1,320,238	1,159,717
Iron and steel.....	3,822,891	4,045,712			
Machinery.....	3,166,995	3,687,197			
Rails, steel.....	820,802	.....		

COUNTRIES SHOWING TRADE GAINS AND LOSSES.

The articles in which the United States lost heavily were electrical appliances, engines, windmills, surgical instruments, flour, fish, and various unclassified goods. Articles in which a percentage of gain is shown for the United States are sewing-machines, printing, industrial, and agricultural machinery, typewriters, phonographs, bicycles, automobiles, dental supplies, furniture, vehicles, bottles and porcelain ware, meat extracts, shoes, and kerosene oil.

Last year Germany was first in the amount of sewing-machines imported and the United States second, which is reversed this year, Germany sustaining a heavy loss and the United States recording a substantial gain. The United States made a gain of 100 per cent in shoes at the expense of the United Kingdom, which lost 75 per cent. The United States and the United Kingdom went ahead in furniture and all other countries lost trade. The United States gained 800 per cent in meat extracts, while all other countries lost heavily. The United States took pottery and porcelain trade away from Belgium and Germany. All countries except France increased their automobile sales. The United States and the United Kingdom augmented trade in bicycles, all other countries falling behind. Germany and the United States lost business in all classes of engines, which went to the United Kingdom. Germany increased its business in windmills at the expense of the United States, and flour from Argentina replaced American flour by an increase in shipments of flour and of wheat.

The imports of agricultural products indicate that the State of Sao Paulo is practically supplying the demand for rice for home consumption. There is a considerable falling off in the imports of cotton and wine, which indicates that the State is giving more attention to the culture of those articles. The most remarkable change, however, in an industrial way, is the greatly diminished imports of flour and the remarkable increase in the imports of wheat, showing that a substantial milling industry is rapidly being built up.

The declared value of the exports from Santos to the United States in 1908 was \$30,091,842, against \$30,864,155 in 1907. In both years the only article of export was coffee.

BRITISH GUIANA.

REVIEW OF TRADE CONDITIONS.

By CONSUL ARTHUR J. CLARE, GEORGETOWN.

The foreign trade of British Guiana during the fiscal year 1907-8 was \$16,689,129, a decrease of \$273,650 as compared with 1906-7. The imports amounted to \$8,473,721 and the exports to \$8,215,408, showing a gain of \$357,859 and a loss of \$631,509, respectively. Compared with 1906-7 the United States gained \$138,731 in the imports; Canada, \$107,848; and the United Kingdom, \$18,117. The increase in imports was due to a scarcity of local-grown provisions caused by adverse weather conditions.

In the imports, exclusive of transit trade, those of food, drink, and tobacco amounted to \$3,063,639; raw materials and articles mainly unmanufactured, \$770,426; manufactured articles, \$3,955,254; miscellaneous, \$121,308; and bullion and specie, \$239,387. The United States furnished 29 per cent of the total imports, the United Kingdom 52, Canada 8, and the remaining 11 per cent was made up of imports (including 4 per cent for transit trade) from other countries.

VALUE OF IMPORTS AND EXPORTS.

The following table shows the value of the imports into and the exports from British Guiana, by principal countries:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$2,429,371	\$183,429	All other countries.....	\$345,783	\$305,636
United Kingdom.....	4,442,202	2,953,523	Transit trade.....	323,707	523,707
Canada.....	655,080	4,154,214	Total.....	8,473,721	8,215,408
Other British possessions.	267,578	294,899			

The principal exports were sugar, valued at \$4,819,325; raw gold, \$1,148,299; rum, \$464,928; balata, \$368,538; rice, \$191,424; molasses, \$103,429; and timber, \$97,310. Reexports amounted to \$474,245, and transit trade to \$323,707. Owing to the short crop there was a decrease in exports of sugar of 14,214 tons as compared with the previous year. Rum and molasses, the by-products of sugar, showed a decrease of 701,908 and 229,405 gallons, respectively. About 87 per cent of the sugar was taken by Canada and the balance principally by the United Kingdom.

The bulk of the import trade was with the United Kingdom and the United States, while the bulk of the export trade was with Canada and the United Kingdom.

DETAILS OF IMPORTS.

The imports into British Guiana, exclusive of goods in transit, during the fiscal year ended March 31, 1908, are shown by principal articles

in the following table, which also gives the total value and the share of each known to have been imported from the United States:

Articles.	Total.	From United States.	Articles.	Total.	From United States.
Aerated and mineral waters...	\$11,065	\$36	Iron and steel, etc.—Cont'd.		
Agricultural implements...	22,803	1,617	Machinery—Continued.		
Animals:			Rice...	\$51,028	\$41,565
Horses...	7,562	4,437	All other...	48,760	7,128
Mules...	46,486	46,486	Nails and spikes...	19,473	5,092
Sheep...	5,777	5,759	Sewing machines...	12,602	5,641
Bags and sacks...	216,819	40	Steam launches...	2,821	2,885
Books and periodicals...	20,752	2,167	Tools...	22,014	7,995
Breadstuffs:			Wire fencing...	5,689	2,229
Biscuits and hard bread...	30,072	15,419	Lamps and lanterns...	9,636	5,653
Corn...	13,628	13,093	Leather, manufactures of:		
Corn meal...	22,666	22,371	Boots and shoes...	128,361	43,733
Farinaceous foods, and starch...	25,469	7,862	Saddlery...	12,909	2,603
Flour...	981,577	790,196	All other...	24,170	6,000
Grain, not specified...	157,320	13,238	Lime...	24,664	
Oats...	128,229	45,111	Matches...	9,590	
All other...	9,685	6,407	Materials for steamboats...	16,570	8,885
Bricks...	17,406		Medicinal preparations...	38,861	17,557
Building materials...	10,239	5,480	Metals, raw:		
Candles...	6,566	2,318	Gold...	8,018	
Carpets, mats, and rugs...	6,711	106	Quicksilver...	2,501	89
Cement, Portland...	23,164	1,912	Silver...	3,447	1,096
Chocolate and cocoas, prepared...	7,110	121	Musical instruments...	9,264	1,841
Clocks and watches...	3,141	2,113	Naval stores...	28,260	1,180
Clothing, ready-made...	19,728	161	Nuts...	14,173	9,641
Coal, coke, and patent fuel...	147,726	28,783	Oil meal and oil cake...	10,480	10,175
Coffee...	14,952	10,896	Oilmen's stores...	12,373	2,060
Confectionery...	18,179	861	Oils:		
Cordage and twine...	52,349	2,291	Cotton-seed...	68,600	66,423
Cotton, linen, and woolen goods...	828,521	71,768	Lard...	6,670	6,626
Drugs, chemicals and apothecaries' wares...	72,262	13,331	Mineral...	12,704	10,520
Earthenware...	21,107	579	Olive...	4,489	7
Electric lighting materials...	8,751	6,145	Petroleum...	139,406	138,498
Fertilisers:			All other...	48,280	2,200
Ammonia, sulphate of...	517,456		Paints and colors...	28,462	450
Guano...	55,371		Paper...	61,020	806
Sulphate of potash...	23,202		Pitch...	4,557	4,502
Superphosphate of lime...	14,663		Plantation supplies...	52,527	6,553
Mixed...	35,638	5,692	Printing materials...	18,219	
All other...	19,047		Provisions:		
Firearms...	7,502	389	Dairy products—		
Fish, dried, preserved, etc...	323,840	33,393	Butter...	112,466	2,652
Fruits and vegetables:			Cheese...	28,898	894
Fruits, dried...	17,130	3,184	Ghee...	19,022	144
Fruits and vegetables, fresh...	8,353	5,418	Milk, condensed...	59,190	53
Onions...	33,159		Ground provisions...	42,549	
Potatoes...	116,269	3,478	Meat products—		
Vegetables, dried and preserved...	6,100	427	Bacon and hams...	40,580	30,692
All other vegetables...	15,213	107	Beef, pickled or salted...	84,227	84,053
Glass manufactures...	27,634	4,139	Lard...	40,059	39,922
Government stores...	43,264	2,061	Meats, preserved or canned...	12,942	7,849
Guns, including balata...	52,373	12	Oleomargarin...	12,853	8,738
Haberdashery and millinery...	252,680	5,540	Pork, salt...	197,693	197,443
Hats and caps...	68,201	5	Tallow...	8,046	5,236
Hay...	8,128	2,135	All other...	16,845	1,877
Ice...	9,892	9,892	Railway material...	44,139	10,885
Iron and steel, manufactures of:			Rice...	61,994	2,014
Bars, rods, etc...	17,493	73	Rubber, manufactured...	16,843	4,842
Bolts and nuts (iron)...	7,381	520	Salt...	18,426	
Buckets, pails, and tubs...	5,496	35	Seeds, coriander...	20,586	877
Chains, black or galvanized...	2,175	14	Silk and satin manufactures...	16,901	16
Galvanized bars, rods, etc...	56,415		Soaps and toilet requisites...	79,139	8,628
Hoops...	12,681		Spirits, wines, etc.:—		
Hardware and cutlery...	111,640	13,979	Liquors and cordials...	4,064	66
Machinery—			Malt liquors...	123,049	477
Electric...	10,927	10,641	Spirits...		
Mining...	74,354	34,786	Brandy...	14,679	15
Sugar...	179,654	5,017	Gin...	15,006	345
			Perfumed...	14,484	1,312
			Whisky...	56,151	84
				35,273	345
			Stationary...	35,818	1,600
			Sugar, refined, white...	9,654	7,750
			Supplies for town council...	18,817	4,370

Articles.	Total.	From United States.	Articles.	Total.	From United States.
Tar.....	\$4,055	\$3,238	Wood, etc.—Continued.		
Tea.....	15,618		Pine and spruce lumber..	\$203,382	\$168,268
Tinware.....	19,381	428	Shooks.....	23,917	23,767
Tobacco:			Staves and headings.....	43,311	43,304
Cigars and cigarettes.....	10,175	421	All other.....	20,801	2,519
Leaf.....	58,625	57,642	All other articles.....	354,644	14,897
All other manufactures of.	56,747	253			
Toys and games.....	10,116	663	Total.....	7,922,091	2,428,489
Umbrellas and parasols.....	11,631	123	Coin:		
Vehicles:			Copper.....	4,665	
Automobiles.....	2,952		Gold.....	3,385	
Bicycles, and parts.....	21,887	3,063	Silver.....	219,873	10,882
Carriages, wagons, etc.....	5,908	4,396			
Wood, and manufactures of:			Grand total.....	8,150,014	2,439,371
Cabinet ware and upholstery.....	24,957	3,360			

TRADE WITH THE UNITED STATES.

The principal imports from the United States, as shown by the table, were flour, valued at \$790,195; salt pork, \$197,443; lumber, \$168,268; petroleum, \$138,488; machinery, \$99,047; beef, \$84,053; cotton-seed oil, \$66,423; leaf tobacco, \$57,642; mules and horses, \$50,923; oats, \$45,111; shoes, \$43,733; lard, \$39,922; bacon and hams, \$30,692; and coal and fuel, \$28,783.

The American share of the trade in bicycles, cotton goods, drugs and chemicals, hardware, machinery, medicinal preparations and patent medicines, shoes, and many other manufactured articles should be greatly increased, and indications are that it will be. The well-established trade of the United States in breadstuffs and provisions is carefully looked after by commercial travelers and resident agents. Similar methods should be adopted in other lines in which the United States is much behind its competitors. No prejudice whatever exists against American goods, and in all cases where the prices, quality, and terms are right there is a good opening for them in this market.

EXPORT TRADE—AGRICULTURE—MINES—SHIPPING.

The value of the chief articles of domestic merchandise exported from British Guiana during the fiscal year ended March 31, 1908, is shown in the following table:

Articles.	Value.	Articles.	Value.
Animals, chiefly cattle.....	\$31,183	Rubber.....	\$4,815
Balata.....	368,538	Rum.....	464,928
Charcoal.....	41,840	Sugar.....	4,819,325
Cocoa, unground.....	10,739	Vegetables, fresh.....	3,055
Cocoanuts.....	10,052	Wood, and manufactures of:	
Diamonds, rough.....	14,529	Casks, posts, etc.....	4,206
Fish glue.....	5,905	Firewood.....	13,373
Gold, unworked.....	1,148,299	Lumber, shingles, etc.....	18,994
Hides.....	12,289	Timber.....	97,310
Molascut (cattle food).....	103,429	All other articles.....	16,014
Molasses.....	19,698		
Rice.....	191,424	Total.....	7,417,456
Rice meal.....	16,511		

The United States took balata, valued at \$111,297; charcoal, \$30; cocoanuts, \$5,143; rough diamonds, \$3,251; unworked gold, \$16,152; hides, \$17; and other articles, \$177.

The short crop of sugar cane resulted in a shrinkage of 14,214 tons in the production of sugar. The acreage under cane cultivation was reduced from 74,426 to 70,986 acres, principally because of the substitution of rice for sugar cane on one of the large plantations. The cultivation of rice is taking a very important place as a subsidiary industry to the cultivation of sugar, the acreage under rice cultivation having increased from 6,477 acres in 1898 to 29,715 in 1908.

The production of gold was 67,209 ounces, a decrease of 18,295 ounces, due to the smaller returns from alluvial workings. Quartz mining and dredging have steadily continued, and much better results will be shown in the future.

Diamonds decreased from 65,903 stones weighing 4,718 carats, to 29,007 stones weighing 2,121 carats. The quality of the stones, however, was better than in the previous year.

During the year 1,374 vessels aggregating 394,206 tons entered at the port of Georgetown, and 1,369 with a tonnage of 392,674 cleared. Of the 341 steamers and 1,033 sailing vessels entering, none of the former and only 5 of the latter were under the American flag.

DUTCH GUIANA.

REVIEW OF TRADE CONDITIONS.

By ACTING CONSULAR AGENT HENRY L. HIRSEFELD, PARAMARIBO.

Dutch Guiana imported goods to the value of \$2,814,736 during 1908, as compared with \$2,761,441 in 1907, and \$2,509,269 in 1906, an increase of \$252,172 during 1907 and \$53,295 during 1908. The imports, by countries of origin, during 1907 and 1908, respectively, are shown in the following table with amounts of increase or decrease:

Country.	1907.	1908.	Increase or decrease.
United States.....	\$688,069	\$624,253	-\$63,816
Barbados.....	4,704	4,011	- 693
British Guiana.....	244,872	245,312	+ 440
Netherlands.....	1,637,297	1,720,831	+ 83,534
United Kingdom.....	48,971	43,526	- 5,445
Other countries.....	137,528	176,803	+ 39,275
Total.....	2,761,441	2,814,736	+ 53,295

CHIEF IMPORTS FROM UNITED STATES.

Both in 1907 and in 1908 the United States led in imports of the articles named in the following table, which gives the total value of imports from the United States in each year:

Articles.	1907.	1908.	Articles.	1907.	1908.
Breadstuffs:			Provisions:		
Blacuits and bread.....	\$15,337	\$19,419	Beef, salted.....	\$87,910	\$100,019
Flour.....	189,861	191,528	Hams and shoulders.....	12,824	12,908
Fish.....	21,848	21,780	Pork, salted.....	69,567	46,732
Lumber.....	17,830	10,067	Soap, chiefly laundry.....	13,919	14,917
Oil, kerosene.....	38,459	40,391	Tobacco, leaf.....	9,779	10,437

The total imports of shoes into the colony during 1908 were valued at \$28,259, as compared with \$28,503 in 1907. The amount from each country was as follows in 1907: United States, \$13,579; United Kingdom, \$118; Netherlands, \$14,806; and in 1908: United States, \$12,613; United Kingdom, \$68; and Netherlands, \$15,578. Although there was a decrease in the total value of shoe imports, there was an increase in the sales from the Netherlands, while the United States and the United Kingdom fell behind.

LEADING EXPORTS.

The total exports from Dutch Guiana during 1908 were valued at \$2,411,899, against \$2,355,587 in 1907 and \$1,937,309 in 1906.

The value of the exports in 1908 to the United States, Demerara, Netherlands, the United Kingdom, and all other countries, by articles, is shown in the following table:

Articles.	United States.	Demerara.	Netherlands.	United Kingdom.	All other countries
Balata.....	\$1,726	\$24,530	\$363,827	\$279	\$9,327
Bananas.....	43,860	28	2,394		
Cocoa.....	430,810		34,813	1,920	15,038
Coffee.....	33,453		73		248
Fish gum.....			806		22
Gold.....	7,718		529,996	52,971	79,052
Hides.....			5,582		
Rum.....		20,411			10,837
Sugar:					
First product.....	391,096	274,415	9,472	7,600	4,080
Second product.....	1,824	9,413	15,411		
Wood, and manufactures of.....	1,622		17,636	255	6,828
All other articles.....	111	566	1,645	80	265
Total.....	912,220	329,353	981,524	63,105	125,607

Exports in the form of transit trade add \$116,048 to the total exports. These were from French Guiana and consisted of balata to the value of \$102 and gold valued at \$115,946. All of the balata and nearly all of the gold went to the Netherlands, France having taken \$1,786 worth of the latter.

AGRICULTURAL PRODUCTS.

The production of cocoa in 1908 was 3,738,319 pounds, against 3,575,640 pounds in 1907 and 3,257,250 pounds in 1906. The disease known as witch broom is still prevalent on many estates, destroying much of the fruit on the trees. On many estates they have started close trimming of the trees, and the result has been very satisfactory. It is now hoped that this method will prove to be a successful remedy for the disease. The price paid for cocoa for export has fallen from the average of 36 cents United States currency to 24 cents per kilo (kilo = 2.2 pounds).

The culture of coffee has not been so greatly developed as to make coffee a stock product, but it has attracted the attention of planters on account of better prices. The production of the year was 308,932 pounds.

The planting of *Hevea braziliensis* is being done slowly, but owing to the lack of success in germinating a large number of the seeds

imported the planting has not been very successful. On a few places the plants are beginning to blossom and give seeds. The government itself is planting an estate as an enterprise to benefit the finances of the colony.

The culture of rice has given much satisfaction, and creoles and British immigrants who have finished their labor contracts under which they came here have taken ground for themselves and are rapidly increasing the area under cultivation. Several rice mills have been erected for the handling of the product. The production in 1908 was 3,697,687 pounds, 330,000 pounds more than in 1907.

The production of sugar showed an increase from 26,244,050 pounds in 1907 to 26,398,330 pounds in 1908. The total exports of rum for 1908 were 247,459 gallons, against 227,014 gallons in 1907. No molasses was exported, all of the product having been used in the colony.

The future of the balata industry is very uncertain, owing to the low prices prevailing as well as to the troubles the concessionaires are having with the bleeders. The exports for 1908 amounted to 999,226 pounds, against 765,120 pounds in 1907, an increase of 234,106 pounds. The prices, which were low at the beginning of the year, became more satisfactory toward its close.

GOLD PRODUCTION—RAILWAY BUILDING—VITAL STATISTICS.

The amount of gold produced during the year was 1,209 kilos, valued at \$662,960, against 1,071 kilos in 1905, 1,118 kilos in 1906, and 1,105 kilos in 1907. This production was obtained by means of hand work. Exploitation with machinery by large mining companies has not yet proved successful, though no doubt the financial depression has retarded the development of properties held by foreign companies. The colonial government made a trial of leasing a part of a well-known placer.

Railroad construction has been very slow owing to lack of laborers, but is now progressing and when it is completed farther inland, more activity in gold mining may be expected.

The number of births in the colony during 1908 was 2,566, of which 855 were of males and 1,711 of females. The deaths were 2,304 in number, 1,346 of males and 958 of females. The relatively small proportion of males born and the much greater mortality of that sex are noteworthy.

CHILE.

REVIEW OF TRADE CONDITIONS.

By CONSUL ALFRED A. WINSLOW, VALPARAISO.

The year 1908 in Chile was a severe one for the commercial and financial interests generally, while the industrial, mining, and agricultural interests made a fair showing. The value of the paper currency of the country continued to decline until July, when the Chilean gold peso commanded a premium of 136 per cent. Prices in the paper money of the country reached a very high figure, and wages were advanced materially. Since July exchange has been getting better until on February 1, 1909, the premium was only 40 per cent. Despite this decrease in exchange the prices for most articles at retail remain about the same in Chilean paper.

It is generally understood that the Government will not return to a gold basis at the time fixed by the present law, which is January 1, 1910. The matter has been under discussion in the Congress, which developed the opinion that owing to the depreciation of the Chilean paper currency it would be better to wait a few years. This has had the effect of causing the value of the paper peso to drop to about 23 cents United States gold on March 1, 1909. When the value of the currency was low, wages were advanced materially in all lines of manual labor, and now it is very difficult to reduce them, which adds quite a tax to the producer. It will take some time for this to adjust itself, but in the end it will benefit the working classes.

A FAIRLY GOOD BUSINESS YEAR.

Notwithstanding the serious business depression, the industrial, mining, and agricultural interests had a fairly good year. More industrial machinery was placed than ever before during a like period, and most of the factories and mills were kept busy. Farm products brought good prices, and the exports of the country were heavier than ever before. Most of the internal improvements of the country progressed about as usual, and in general a fair advancement was made during the year, with good prospects for 1909.

This seems to be a favorable time for investments in Chile. There are many interests in need of ready money, and with enough new blood they could be made very profitable. There can be little doubt as to the future of Chile; its natural resources are great, and progress is the watchword.

During 1908 the trade of the United States and other countries with Chile fared about the same, excepting that of Germany and Belgium, the former showing a gain of \$432,693 and the latter of about \$1,000,000. England's trade fell off about \$11,000,000, and that of the United States about \$2,500,000. The Germans have been reaping the reward of their hard work in pushing business in this field. Much more personal work than usual was done during the year by American representatives, which will bring good results. The best of feeling prevails and American goods in general stand at the forefront, and will find ready sale if as thoroughly pushed as the same kinds of goods from other countries.

THE FOREIGN TRADE.

The foreign trade of Chile for 1908, according to Chilean statistics, was valued at \$211,773,987, of which the imports amounted to \$97,202,960, and the exports \$114,571,027. In 1907 the total trade amounted to \$207,369,874, the imports being valued at \$107,193,747 and the exports \$100,176,127. This shows a decrease of \$9,990,787 in imports and an increase of \$14,394,900 in exports compared with 1907. The value of the imports, by classes, in 1907 and 1908 is shown in the following table:

Class.	1907.	1908.	Class.	1907.	1908.
Animal products.....	\$7,775,387	\$6,786,839	Paper, etc.....	\$2,553,707	\$2,808,331
Arms, ammunition, etc.....	2,230,117	633,148	Textiles.....	24,963,172	20,407,329
Chemical products.....	2,147,370	1,983,176	Vegetables.....	11,747,656	8,540,045
Machinery.....	17,370,658	19,336,529	Wines and liquors....	2,345,206	1,853,762
Mineral products.....	21,366,137	17,020,060	All other articles.....	630,840	813,004
Oils: Kerosene, etc....	15,073,498	16,960,077	Total.....	107,193,747	97,202,960

ORIGIN OF IMPORTS.

In the following statement are shown the classes of imports and the countries of origin in 1908:

Country.	Animal products.	Arms, etc.	Chemical products.	Machinery.	Mineral products.	Oils, coal, etc.
United States.....	\$545,312	\$32,408	\$207,722	\$2,502,349	\$822,584	\$1,961,432
Argentina.....	3,537,875		2,547	7,429	12,035	2,965
Austria-Hungary.....	6,291	2,003	3,517	889	3,026	431
Belgium.....	129,979	14,588	13,331	1,397,614	2,511,449	24,119
Brazil.....	1,237					
Ecuador.....			2,385	117	7	3,909
France.....	489,184	13,212	358,547	283,234	556,179	48,795
Germany.....	665,020	285,061	887,006	9,068,888	6,396,493	1,013,519
India.....				3,583	5,256	
Italy.....	66,147	239	56,877	28,750	91,313	9,166
Peru.....	121,444	1,132	12,556	1,988	55,061	1,714,087
Spain.....	107,880	15,644	1,279	16,909	7,260	3,186
Switzerland.....	44,881	91	1,121	392	65,366	
United Kingdom.....	741,848	226,818	420,964	6,014,560	6,456,157	5,949,173
Uruguay.....	203,856			941	44	29
All other countries.....	112,075	11,912	15,314	8,830	37,860	6,259,266
Total.....	6,786,839	633,148	1,983,176	19,336,529	17,020,090	16,990,077

Country.	Paper.	Textiles.	Vegetable products.	Wines and liquors.	Other articles.	Total.
United States.....	\$796,036	\$531,273	\$1,212,894	\$13,185	\$42,084	\$8,697,289
Argentina.....	15,626	124,704	122,695	359	19,589	3,845,824
Austria-Hungary.....	825	8,523	15,583	92,194	2,582	135,564
Belgium.....	62,857	305,794	23,147	19,155	59,725	4,555,758
Brazil.....	767		247,956		88	250,048
Ecuador.....		8,115	221,213	137	1,063	236,946
France.....	110,307	1,507,694	302,939	540,985	144,769	4,355,845
Germany.....	1,275,474	5,739,650	1,570,225	265,279	369,139	27,565,784
India.....		2,513,202	245,840			2,767,891
Italy.....	80,333	1,069,969	610,579	218,789	9,672	2,241,840
Peru.....	5,095	38,847	1,763,259	659	6,074	3,719,932
Spain.....	94,202	242,072	99,263	202,540	8,773	799,018
Switzerland.....	376	15,537	2,405	207	5,317	135,693
United Kingdom.....	349,563	8,208,927	1,654,475	467,781	140,513	30,630,809
Uruguay.....	3,450	493	141,471	137	3,496	354,017
All other countries.....	13,720	92,529	306,101	62,385	720	6,920,702
Total.....	2,806,331	20,407,329	8,540,045	1,883,792	813,604	97,202,960

SHIPMENTS OF CHILEAN PRODUCTS.

The Chilean exports in 1908 as reported by the Chilean customs officers amounted to \$114,571,027, against \$100,176,127 in 1907, and \$99,444,069 in 1906. The greatest increase was that in nitrate and mineral products, which amounted to \$10,719,991, followed by that in farm products, which accounted for \$3,987,581 of the increase. Of the increase in farm products, wheat supplied the greater part. Of the exports Great Britain took articles worth \$54,424,932; Germany, \$24,678,004; France, \$6,976,959; Belgium, \$3,160,015; and the United States \$16,050,387. The Netherlands and Portugal showed a loss of \$1,614,661 and \$2,302,638, respectively. The United States showed by far the greatest relative gain, which was all in mineral products.

The exports, by classes, during 1907 and 1908, respectively, were as follows:

Class.	1907.	1908.	Class.	1907.	1908.
Animal products.....	\$5,959,699	\$6,057,610	Wines and liquors....	\$47,220	\$77,818
Mineral products.....	88,341,036	99,061,027	All other articles.....	366,886	474,191
Specie.....	602,250	53,764	Total.....	100,176,127	114,571,027
Vegetable products....	4,859,086	8,846,617			

The value of the exports in 1909, by classes and countries of destination, is shown in the following statement:

Country.	Animal products.	Mineral products.	Vegetable products.	Wines and liquors.	Other articles.	Total.
United States	\$73,743	\$15,858,588	\$111,684	\$44	\$6,328	\$16,050,387
Argentina	15,181	412,991	548,581	37,086	3,509	1,017,347
Belgium	30,880	3,077,166	50,770	.....	1,268	3,160,015
Bolivia	25,701	1,315	138,672	13,445	28,606	206,739
France	595,178	6,244,076	79,402	68	58,238	6,976,959
Germany	1,525,462	21,728,637	1,061,718	17,680	314,577	24,678,004
Italy	16,984	511,726	32,905	48	588	552,195
Netherlands	16,881	2,497,677	90,773	.....	1,024	2,606,305
Peru	108,733	127,454	943,678	1,034	71,743	1,252,642
Portugal .....	.....	1,240,859	4,080	.....	.....	1,244,919
Spain .....	.....	699,478	734	.....	687	700,899
United Kingdom	3,631,225	45,384,261	5,371,171	354	37,921	54,424,932
All other countries	17,762	1,276,800	381,499	8,165	5,498	1,689,714
Total	6,067,610	99,061,027	8,846,617	77,818	527,955	114,571,027

DISCREPANCY IN VALUE OF SALES TO UNITED STATES.

There is a wide difference in the returns as given by the Chilean officials and the declared exports as given by the American consular officers in Chile. According to Chilean statistics the United States took articles valued at \$7,091,807 in 1907, against \$16,050,387 in 1908, while the declared exports certified at the American consulates during 1907 amounted to \$23,072,457, against \$19,151,510 during 1908, or a loss of nearly \$4,000,000.

According to the United States Bureau of Statistics, in 1908 the United States took from Chile imports to the value of \$12,494,122, against \$17,944,580 in 1907. The only way I can account for this discrepancy is the methods of getting at the value of many articles at the Chilean custom-houses, which is at so much per kilo, including the packing.

The articles exported to the United States and their values as declared at the American consulates during 1907 and 1908, respectively, were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beeswax .....	.....	\$12,135	Personal effects	\$5,174	\$8,866
Clover seed	\$30,745	8,098	Quebracho extract	43,530	.....
Casings .....	.....	6,216	Quillaja bark	5,673	10,667
Copper	3,687,288	2,510,223	Walnuts	91,974	77,048
Iodine	808,329	255,803	Wool	39,818	90,927
Nitrate	16,699,723	14,765,250	All other articles	275,320	75,811
Ore:			Total	23,072,457	19,151,510
Gold .....	.....	5,771			
Lead	29	3,436			
Silver	1,409,854	1,321,259			

AGRICULTURAL INTERESTS.

The agricultural interests of Chile met with a fairly prosperous year during 1908, notwithstanding that wages were higher and that the rainfall in many parts of the country was very light. These conditions were overcome by the higher prices paid for most farm prod-

ucts. There will be a small surplus of wheat for export, but the total exports of farm products in 1909 will fall short of the total for 1908.

A much wider interest is noticeable in irrigation, and the Chilean Government has sent out several engineers during the year to study proposed irrigation systems to aid and encourage private interests in the development of valuable properties. In the Province of Atacama a test is being made by the government to ascertain whether it will be practicable to irrigate by means of artesian wells.

During the year the government spent about \$350,000 on improvements on country roads in the agricultural districts, and it is proposed to follow this up until the roads are in good condition for the transportation of farm products to market. There is a steadily increasing use of improved farm machinery, but there is room for very much more, and it will pay to work the field more thoroughly. For 1908 there was a decrease from 1907 of \$365,000 in the imports of agricultural machinery. The stocks of farm machinery in the country are very small, but with good crops the demand, beginning with August, will be heavy for four or five months.

DEFORESTATION—STOCK RAISING.

The forests of Chile are very extensive, but are being rapidly cleared away for farms. They contain some fine timber for industrial purposes. There are two or three kinds that resemble the oak of the United States, but nothing that really takes the place of American pine. A large proportion of the forests are located in southern Chile, where it rains for about nine months out of each year, and as the trees are very full of sap the lumber shrinks and warps, so that much of it can be used only for rough work. There are several species that contain large quantities of tannin, which is being extracted extensively by a company at Valdivia for commercial purposes. It is said that there are large tracts covered with timber well suited to the manufacture of wood pulp for paper. A movement is on foot to install a plant in the southern part of the country for the manufacture of wood pulp for export.

During 1908 more attention was given to stock raising than for many years, and some very fine stock was imported from Europe. The country can not supply the demand, as during the year 87,317 head of beef cattle were imported, mostly from Argentina, at a cost of \$3,042,658, and 63,025 head in 1907 at a total cost of \$2,519,894.

PROSPEROUS YEAR FOR MANUFACTURERS—LABOR.

In general the manufacturing interests of Chile enjoyed a prosperous year, and the factories were in operation very steadily; as a rule protected articles only were manufactured. Quite an advance was made in the manufacture of cotton knit goods, shoes, and cement, and the country is nearly able to supply the demand for the cheaper grades. Owing to the high duties charged on practically all manufactured articles, save machinery and mechanical tools, there are openings for profitable investment of capital in industrial plants.

During 1908 the increase in imports of industrial machinery amounted to \$1,912,437, notwithstanding that imports in general

declined nearly 10 per cent in the same period. The increase in imports of lubricating oil, petroleum, coal, etc., was about the same, which shows the industrial advancement in face of the general business depression of the country.

During the year work on the steel plant being erected at Corral, near Valdivia, progressed rapidly, and it is expected that it will be ready to open by the close of 1910. This is a new venture for Chile, and is being watched with much interest. It is backed by French capital.

During 1908 labor in general was employed at good wages. The wage scale of the country is fully 20 per cent higher than it was a year ago, which adds materially to the cost of production and makes living high. During the year the labor conditions were satisfactory, but there is a shortage of good workmen in almost all lines, and the Government is offering inducements to immigrants, with fair results.

INCREASED CONSUMPTION OF COAL—GOVERNMENT DEBT.

More coal was mined during 1908 than ever before during a like period, and a ready market was found for it at the mines at good prices. The consumption of coal was greater than during 1907 notwithstanding the depressed conditions. The imports in 1907 amounted to 1,498,154 tons, and in 1908 to 1,599,614 tons. During the year efforts were made to open up new coal deposits in the southern part of the country. I am informed that a special effort is to be made to import more American coal during 1909, and there seems to be no good reason why this cannot be done, if the American coal interests will back the importers until they get the business well started.

During the year the public debt of Chile was increased by about \$20,000,000, and now amounts to \$158,400,000, of which about \$114,210,000 is held abroad, bearing interest at the rate of 4½ per cent to 6 per cent. The balance of the debt is internal, on which small interest is paid. To offset the internal debt there are large sums deposited in European banks, which are pledged to redeem the paper currency of the country. Chilean bonds are quoted in London at 98 per cent to 98½ per cent, and a \$14,600,000 loan lately offered in London was subscribed three times over within a few hours after it was put on the market.

SHIPPING AND HARBOR FACILITIES.

The shipping interests of Chile are growing in importance each year, and during 1908 several new vessels were added to the merchant marine. According to published reports it was a fairly profitable year for the shipping interests of Chile, whose vessels are principally engaged in the west coast trade of South America. Most of the imports are brought to Chile in foreign bottoms. In this carrying trade Great Britain takes the lead, followed closely by Germany. During the year the British and German lines added several steamers of 9,000 to 12,000 tons. The two lines plying between the west coast of South America and the Atlantic coast of the United States are both under the British flag, and have done a fair business. Dur-

ing the year there were only two American merchant vessels in this port, and these were sailing vessels, loaded with lumber from the Pacific coast of the United States.

On March 10, 1909, the Pacific Steam Navigation Company and the *Compañía Sud-América de Vapores* joined in a rapid fortnightly service between Valparaiso and Panama, which will put Chile about fifteen days nearer the United States than heretofore. They propose to make the run to Panama in twelve days. Here is an opportunity for American interests to get into closer touch with the needs of Chile.

The English company that signed a contract with the President of Chile to construct extensive harbor improvements at Valparaiso has withdrawn the offer, not having secured the approval of Congress. At present the port is very open, and shipping is not well protected, so that cargoes must be discharged and loaded by lighters at a very heavy expense. At present there do not seem to be any plans for the immediate future. There is some talk about improving Quintero, a fairly good natural harbor a few miles north of Valparaiso, which could be connected with this place by rail. This scheme meets with strong opposition in Valparaiso, since it would detract much from the importance of this place.

Quite extensive harbor improvements are being made at Talcahuano, about 250 miles south of Valparaiso, which is one of the best natural harbors along the west coast of South America. Its importance is recognized by the Chilean Government, for it has been made a naval station, and navy-yards and a dry dock have been constructed.

The Chilean Government is making some extensive harbor improvements at Mejillones, a few miles north of Antofagasta, which will eventually become the harbor for that commercial center of Chile.

GROWING TRADE IN NITRATE.

The exports of nitrate in 1908 exceeded those of any previous year by 8,588,940 quintals (quintal=101.4 pounds), an increase of more than 23 per cent over 1907, which materially increased the receipts to the producers, notwithstanding that prices ranged lower than during 1907. In the main, 1908 was a prosperous year for the business. The nitrate combine, to which most of the nitrate companies belong, did much to increase sales in Europe by sending out commissions to study the conditions and to demonstrate the value of nitrate as a fertilizer. To this work may be attributed the great increase in exports.

During 1908, as in 1907, the shipments of nitrate constituted about 73 per cent of the total exports, while the Government received from this source about 63 per cent of its customs revenue, against 55 per cent in 1907. The future promises well, and 1909 will probably show a better record. The supply seems to be inexhaustible. It is estimated that there is enough nitrate to last more than 200 years at the present rate of consumption, from fields that have been explored, and there is reason to believe that there still remain rich fields to develop.

The following table gives the quantity of nitrate exported from Chile during each of the past seventeen years in quintals of 101.4

pounds, together with the export taxes paid to the Government each year:

Year.	Quintals.	Taxes paid.	Year.	Quintals.	Taxes paid.
1891.....	17,158,971	\$10,009,459	1901.....	27,385,228	\$15,974,715
1892.....	17,496,580	10,206,335	1902.....	30,089,440	17,552,070
1893.....	20,612,742	12,024,095	1903.....	31,694,354	18,488,660
1894.....	23,879,428	13,929,665	1904.....	32,612,840	19,024,155
1895.....	26,926,186	15,706,940	1905.....	35,877,467	20,928,520
1896.....	24,066,189	14,038,610	1906.....	37,564,460	21,912,600
1897.....	23,441,613	13,674,270	1907.....	36,987,237	20,991,550
1898.....	28,109,720	16,397,335	1908.....	44,576,177	26,002,765
1899.....	30,386,877	16,266,675			
1900.....	31,602,321	18,434,685	Total.....	519,468,330	301,553,104

During 1908 the shipments of nitrate to the United States amounted to 7,231,484 quintals, valued at \$14,765,250, against 7,512,408 quintals, valued at \$16,699,723 in 1907.

HEALTH CONDITIONS—RAILWAYS.

Health conditions in Chile were good during 1908. There were no epidemics of any importance, and the death rate was below the average. There were some cases of bubonic plague in the hospitals in Antofagasta and Iquique, and there were many cases of smallpox in the southern portion of the country during a part of the year, but the mortality was not great.

Much attention was given during the year in many cities and towns to the bettering of sanitary conditions. Contracts were let for water and sewer systems in several of the small cities, and it is proposed to begin work on several more during 1909. Here should be a good opening for American plumbing supplies.

During 1908 the Chilean railways did a good business, at an advance of about 30 per cent in rates charged. Work progressed on several short lines and connections, and contracts were let covering important railway improvements, such as bridges, double tracking, etc. The double tracking of the line from Valparaiso to Santiago progressed smoothly during the year, and at the present time (March 1, 1909) fully one-half of the work is done and several of the important bridges completed. Most of the rails should be laid by the end of the year.

There are 3,367 miles of railway of all gauges now in operation in Chile, of which 1,581 miles belong to the Chilean Government and the balance to private parties. The cost of the 1,581 miles of government railways, together with equipment and workshops, was \$71,259,161 United States gold. The receipts in 1908 were \$8,548,655, and the operating expenses amounted to \$11,903,538, a loss of \$3,354,883 for the year. The loss in 1907 was \$5,101,281, and in 1906 only \$1,300,707.

The rolling stock of the government railways consists of 463 locomotives, 528 passenger coaches, and 6,782 freight cars. During the year 40 freight locomotives, 15 passenger locomotives, 10 baggage cars, 30 third-class coaches, 1 dining car, and 81 special cars were purchased at a cost of \$7,531,900. During 1908 the Government bought 655,895 ties at a cost of \$386,703, against 321,207 in 1907,

at \$194,801. During the same time 445,339 tons of coal were consumed, costing \$3,380,802. During 1908 there were 10,997,556 passengers carried a total of 304,507,879 passenger miles, against 10,909,476 for 1907 carried a total of 296,761,933 passenger miles; and 3,972,272 tons of freight in 1908, with a total of 555,578,634 ton miles, against 3,477,822 tons for 1907, with 394,995,741 ton miles.

A new bid was received March 1, 1909, for the construction of the Arica-La Paz Railway, which will be about 350 miles in length. The outlook for railway construction for 1909 promises better than for some time, and orders must be placed for additional rolling stock during the year.

FEWER COMPLAINTS IN REGARD TO PACKING—MINING.

During 1908 there were fewer complaints of poor packing than ever before in this section of Chile, and many encouraging reports came to this consulate, which shows that Americans have studied the conditions, listened to the many warnings, and have decided to pay especial attention to this matter, all-important if a successful export business with the west coast of South America is desired. Several cases were reported to this consulate, however, of shortage in parts of machinery that caused much trouble. Great care should be taken in this particular.

The mining interests of Chile made a good showing in 1908, notwithstanding the low prices that ruled. The exports amounted to \$10,530,299, against \$10,012,313 in 1907. A large amount of development work was done during the year, and most of the mining interests are in better shape than they were at the beginning of 1908. The outlook is good for a large increase in output in 1909. Several short railroads are being opened up to rich mining districts, which will make it profitable to work them. The advance in wages has added to the cost of production, and there is a demand for up-to-date machinery.

The matter of education has had much attention during the past year, and more interest is taken in it by all classes than ever before. During the year contracts were let for the erection of 60 new school buildings in the country, and the appropriations for 1909 amount to \$737,693, against \$480,454 in 1908. Since 1900 the appropriations for the public schools of Chile have increased more than 300 per cent. The schools are becoming much more efficient, and there are several normal schools in which there have been employed several American teachers.

Great interest is manifested in American educational methods and men. The work done by the delegates to the Pan-American Congress was well received, and will accomplish much. More work of this character will pay well.

BUSINESS OUTLOOK.

The outlook for the future is much brighter than it was at the beginning of 1908. The value of the paper currency of Chile is higher than it was a year ago and promises better still. Wages are better, the working people are consuming more, and the production of the country is greater. Imports in general are increasing and more of the natural

resources are being developed. In fact, the development of Chile is moving on very generally, notwithstanding the business depression caused by the depreciation of the currency of the country.

Imports may be expected to increase materially during 1909, and it would be well for American interests to get in closer touch with business in Chile. It is encouraging to note that many more American traveling salesmen and men of standing in manufacturing circles are studying the conditions here and laying a foundation for future business in this part of the world.

American interests should have more houses located in Chile to handle American goods. I believe that there are good openings here for several more up-to-date American houses manned by Americans and backed by American capital and credit. There is no question but that such houses could soon work up a great business. One good up-to-date American house in Chile could do more for American interests than five times that number of commission exporting houses located in New York. In order to compete successfully with foreign houses American interests must have more American representatives in the field.

Traveling salesmen are valuable, but they can not take the place of the resident American representatives, needed so much by American interests in Chile. Such houses should be given liberal commissions and credits to start with, and an understanding in regard to the time during which they will be protected in the territory where the work is done.

IQUIQUE.

By CONSUL REA HANNA.

The year 1908 was a severe one commercially for this district, as exchange fluctuated greatly throughout the year and the price of nitrate of soda remained low, staying at about 7 shillings (\$1.70) per quintal (101.4 pounds) the greater part of the time. As the nitrate of soda industry is the support of the province, whatever affects that industry has a vital influence on business conditions.

The money market was very tight and collections difficult. There were no failures of any importance, but in several cases they were barely averted by strenuous efforts on the part of the principals.

The cost of living is higher than ever, it costing between \$4,000 and \$5,000 per year to support a family.

SHIPMENTS TO THE UNITED STATES.

The total export of nitrate of soda from this district in 1908 amounted to 4,515,361,844 pounds, against 3,656,666,152 pounds in 1907. The shipments of iodine for the two years were 790,885 and 573,837 pounds, respectively. Of these quantities the percentages of exports to the United States were as follows: Nitrate of soda, 20.9 per cent in 1907, and 16.7 per cent in 1908; iodine, 28.4 per cent in 1907, and 6.7 per cent in 1908.

The declared value of the exports from Iquique to the United States in 1908 was \$8,910,847, a decrease from 1907 of \$3,922,309. The leading articles were: Nitrate of soda valued at \$8,650,165 in 1908 and \$12,314,814 in 1907; and iodine worth \$255,804 in 1908

and \$503,329 in the previous year. This shows a decrease in these two articles of \$3,912,174.

The tonnage of vessels entered at this port in 1908 was 1,840,133, against 1,907,722 in 1907.

The beginning of 1909 has not shown much improvement in general conditions, as exchange has been making rapid and violent fluctuations, owing probably to speculation in the money market. The price of nitrate of soda is still low, but is showing a tendency toward a higher rate.

The prospects do not point to better conditions before the end of 1909, and in the meantime sellers should be careful in investigating credits before taking orders, even among buyers who formerly paid promptly.

The value of the exports declared at the Antofagasta agency to the United States in 1908 was \$8,376,951, consisting of the following principal articles: Nitrate of soda worth \$6,115,085; silver ore, \$1,321,259; copper pyrites, \$383,408; copper ore, \$329,998; copper bars, \$153,369; copper regulus, \$64,036; and goatskins, \$7,880. The exports from the Arica agency to the United States for 1908 amounted to only \$520 and consisted of three bales of wool.

PUNTA ARENAS.

By CONSUL JOHN E. ROWEN.

The total imports into the Punta Arenas consular district during 1908 were valued at \$2,354,828 United States currency. The countries sharing in this trade were as follows:

Country.	Value.	Country.	Value.
United States.....	\$122,916	Italy.....	\$171,918
Argentina.....	145,997	Netherlands.....	16,492
Austria-Hungary.....	141,719	Norway.....	47,193
Belgium.....	75,388	Portugal.....	7,356
Brazil.....	43,123	Spain.....	109,436
Cuba.....	12,470	Switzerland.....	47,196
Ecuador.....	9,319	United Kingdom.....	613,589
Falkland Islands.....	16,431	All other countries.....	21,390
France.....	368,589		
Germany.....	387,306	Total.....	2,354,828

The imports from the United States consisted of the following principal articles: Animal products valued at \$13,297; vegetable products, \$19,949; mineral products, \$21,795; textiles, \$7,235; oils, etc., \$29,097; machinery, etc., \$17,719; and arms and ammunition, \$5,426. The shipments from the United Kingdom included mineral products worth \$134,456; machinery, etc., \$72,283; textiles, \$90,618; vegetable products, \$84,217; and oils, \$70,414. Germany supplied animal products valued at \$45,827; vegetable products, \$76,842; beverages, \$55,491; textiles, \$71,756; mineral products, \$62,259; and machinery, \$22,459. Spain's shipments consisted chiefly of beverages valued at \$243,204; vegetable products, \$46,755; perfumery and chemicals, \$10,769; and textiles, \$21,783. Of the imports from Argentina, vegetable products constituted the largest item, being valued at \$104,482.

VALPARAISO.

By CONSUL ALFRED A. WINSLOW.

The year 1908 was in general a fair one for the mining and industrial interests of central and southern Chile, and the agricultural interests prospered rather more than the average. Prices for farm products were higher, with crops a little short of the year before. The rebuilding of Valparaiso has progressed, with fair prospects for a lively year in industrial lines during 1909, since the money market has improved. The stocks of building material have been greatly reduced, which means a good opening for trade in these lines during the coming year.

The money and stock markets were on the decline for the first six months of the year, when the Chilean paper peso was worth about 15 cents United States gold, against 36.5 cents, the value of the Chilean gold peso. From July to January the price of the paper money of the country gradually advanced until on January 1 the peso was worth 26 cents United States gold. This fluctuation of the currency has been much felt. As the value of the paper money depreciated, prices, including that of labor, advanced, until the cost of production in most lines was from 40 per cent to 60 per cent more than it was before the panic, and the retail prices nearly double. In spite of these facts there have been but few failures among the commercial interests of this part of Chile.

The plans for remodeling the city have been about completed by the Government, and much building either has been completed or is well under way. Many more new buildings are planned for the near future. This is made possible because of decisions in several cases against insurance companies, which in the end will give the owners capital to push rebuilding. In all, the outlook for Valparaiso and surrounding territory is good. There is a project on foot to give street-car service to the hills back of the business portion of the city, where the people may have more breathing room. This with the improved arrangement of the business district would make Valparaiso quite an ideal city.

CLASSIFICATION OF EXPORTS.

The declared value of the exports to the United States from this consular district in 1908 showed quite a decrease from 1907, as will be seen from the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beeswax.....	\$8,647	\$12,135	Quillala bark.....	\$5,673	\$10,667
Clover seed.....	38,245	8,098	Walnuts.....	91,974	77,048
Copper.....	2,661,483	1,579,412	Wool.....	32,106	90,407
Herbs.....	372	586	All other articles.....	21,900	5,414
Hides and skins.....	204,183	43,470			
Nitrate of soda.....	189,287	.....	Total.....	3,302,584	1,841,974
Ore: Gold.....	.....	5,771	Returned American goods	36,765	15,194
Personal effects.....	5,174	8,866			
Quebracho bark.....	43,580	.....	Grand total.....	3,339,349	1,857,168

The exports declared at the agencies of Caldera, Coquimbo, and Talcahuano to the United States were valued at \$1,538,535. The

shipments from Caldera amounted in value to \$147,547, and consisted entirely of copper; those from Coquimbo, valued at \$1,344,592, consisted principally of skins, worth \$42,387, copper \$1,260,556, ores \$34,248, and walnuts \$7,151; and the articles from Talcahuano were valued at \$46,396, consisting of wool worth \$38,802, quillaia bark \$4,311, walnuts \$1,220, and other articles \$2,063.

COLOMBIA.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL JAY WHITE AND VICE-CONSUL-GENERAL EUGENE BETTS,
BOGOTA.

A full detailed statistical report of the country's exports and imports for the year 1891 was published by the Government, but seventeen years elapsed before the next volume was issued—in 1908, bearing date of 1907 and containing statistics for 1905. No detailed import and export statistics are available for the intervening fourteen years, although some data have been published in regard to certain subjects, but these have not been compiled and published in an available form.

When Congress met in 1904, after the war, the minister of the treasury was able to give approximate estimates of the total exports and imports for the years 1898 and 1899. For the five succeeding years there are no data. The published statistics did not show the importation by parcels post, which is an important item in Colombia.

It is therefore impracticable to obtain sufficient information to make a really satisfactory report on the commerce of Colombia for any one year, or to make comparisons. The statistics given herein were obtained by special application and through the courtesy of various government officials, although, as yet, they have not been regularly compiled and published.

The following table gives the total imports and exports, by custom-houses, in kilos of 2.2 pounds for the year 1908:

Custom-house.	Imports.		Exports.	
	Kilos.	Value.	Kilos.	Value.
Arauca.....	57,367	\$16,623	26,620	\$38,726
Barranquilla.....	38,836,173	8,219,127	27,420,920	6,904,964
Buenaventura.....	8,099,063	1,340,322	2,947,332	843,166
Cartagena.....	22,507,334	2,542,650	22,487,546	4,280,565
Cucuta.....	891,687	281,614	5,764,157	724,678
Ipiiales.....	440,148	37,992	828,509	79,586
Orocue.....	37,131	11,663	52,894	14,965
Riohacha.....	1,006,906	50,431	3,399,377	162,597
Santa Marta.....	5,129,450	185,890	52,761,120	923,306
Tumaco.....	4,381,721	828,177	3,189,452	1,026,181
Total.....	81,384,960	13,514,489	118,878,927	14,998,734

There was an increase of \$1,025,326 in imports and \$1,207,291 in exports over 1907, and there is an apparent balance of trade in favor of Colombia amounting to \$1,485,245. Both the value of exports and the value of imports show a decided increase over those of recent years, and therefore point to a heathful increase in the foreign trade of Colombia.

CHIEF EXPORTS BY COUNTRIES.

The values of the chief exports during 1906 and 1907, and the countries to which they were sent, are shown in the following table, which contains the latest detailed statistics available:

Articles.	Year.	United States.	France.	Germany.	United Kingdom.	Other countries.	Total weight.	Total value.
							<i>Pounds.</i>	
Balsam.....	1906	\$16,426	\$1,629	\$4,113	\$560	\$273	115,555	\$23,001
	1907	9,859	3,069	12,483	1,808	8	148,113	27,227
Bananas.....	1906	484,024			200	551	91,960,983	484,775
	1907	704,634					125,480,064	704,634
Cocoa.....	1906	19,471	1,509	9,029	17,603	3,059	1,160,102	50,671
	1907	123,896	797	37,527	106,820	3,282	1,867,965	272,322
Coffee.....	1906	3,992,837	144,137	604,310	536,800	847,078	70,252,228	6,128,162
	1907	3,728,038	64,852	402,398	520,305	611,014	75,029,181	5,326,607
Divi-divi.....	1906	14,261	16,753	41,962	49,127	2,285	7,784,987	124,388
	1907	290	7,417	112,459	12,791	53,161	12,696,972	186,118
Ipecacuanha root.....	1906	23,267	1,968	8,348	6,641		111,488	40,224
	1907	1,961		2,421		38	10,115	4,420
Rubber.....	1906	156,764	43,805	40,477	108,516	38,013	1,075,859	387,575
	1907	237,715	57,155	55,303	184,975	66,373	1,305,766	601,521
Vegetable fiber.....	1906	678	250	7,770	1,087		87,083	9,387
	1907	2,899		8,030	380		94,794	11,309

IMPORTS OF MACHINERY.

The imports of machinery into Colombia during 1906 and the countries of origin are shown in the following table, which has been compiled from official records as yet unpublished:

Class.	United States.	France.	Germany.	United Kingdom.	Other countries.	Total.
	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>	<i>Kilos.</i>
Agricultural.....	31,607	1,918	3,353	30,430		67,308
Arts and trade.....	196,981	4,442	16,045	33,444	2,768	253,680
Chocolate.....	1,111					1,111
Coffee.....	42			5,196		5,237
Dental.....	346					346
Dynamoes and electric motors.....	3,367				500	3,867
Fabrics.....	25,100		2,699	3,568		31,367
Mining.....	151,066	1,576	18,390	119,072	427	290,561
Mowing machines.....	163					163
Printing.....	4,576	185	238			4,999
Rice.....	2,774					2,774
Sewing machines.....	114,246	263	736	2,972	8,754	126,971
Shoemaking.....	2,224					2,224
Sugar.....	2,940			449		3,389
Sugar cane.....	846	806	5,104			6,756
Typewriting machines.....	1,072		57			1,129
Other.....	631,076	5,562	114,272	95,959	108	846,977

AGRICULTURAL CONDITIONS—COTTON—RUBBER.

The year has not been a prosperous one in Colombia, except for the coffee and cattle raisers. Locusts have devastated many provinces especially near the coast and in the Magdalena Valley. They have also invaded the side valleys and have approached very near the sabana of Bogota. The Government has published methods for the destruction of the eggs, but it is believed that little has been accomplished in that direction.

The Government has been making an extensive distribution to owners of plantations of seeds of the following plants: Rubber, tea,

date, camphor, Egyptian cotton, Sumatra tobacco, and coffee. This is with the idea of increasing and improving the production of articles for export and of creating new ones.

Encouragement has been given by the Government to the cultivation of the banana for export by grants of lands in favorable districts along the line of the Santa Marta Railway. The President of the Republic, on the occasion of a visit of inspection in the coast provinces, gave encouragement to the cultivation of the banana. Much is expected of this industry in the improvement of Colombia's trade and in the consequent improvement in the value and stability of Colombian currency.

A well-known Colombian writes in a recent treatise on this subject:

There is still a further motive, and a very strong one, which ought to make the Government and the citizens take a greater interest in the growth of the banana industry, together with that of rubber and cocoa, and that is, the uncertain state of our foreign commerce, which can depend only on coffee for exportation; for, although I myself am a firm believer in the future of this industry, the loss of a gathering, speculations in foreign markets, and any other such like contingencies may either diminish or entirely destroy it, and thus bring upon us terrible consequences. It is therefore prudent that we look on the banana as a companion, or as a possible substitute, for coffee, especially if its culture is combined with that of cocoa and rubber.

The promotion of cotton and rubber industries has greatly engaged the attention of the Government during the year. Concessions for cotton factories with special privileges have been granted. The Government has an agronomic establishment at Juntas de Apulo where cotton is grown and seeds, plants, and information are distributed to applicants. Unfortunately the locusts have been particularly destructive to cotton crops, but in the course of a few years, if all goes well, Colombia should both export cotton and largely supply herself with manufactured goods, provided the climate and land prove suitable for cotton growing.

The Government is interesting itself in the preservation of forests, more particularly to arrest the wholesale destruction of trees by rubber collectors and other exploiters of forest products, and early in the year passed a law dealing with this matter.

HIGH TARIFF RATES—MONOPOLIES.

The tariff duties have remained at their former high level throughout the year, except that in order to ease the prevailing distress the duties on imported wheat and flour have been reduced. The high duties are no doubt mainly intended for raising revenue, but many of them are for protective purposes. Foreign flour and sugar have practically been kept out of the country. The bulk of both of these came from the United States and their quality was much appreciated, because the refined sugar of the country is not white, and the native wheat flour also is dark. A pound of foreign refined sugar now costs at retail in Bogota 25 cents gold, and many persons use panela, the coarse, unrefined sugar of the country. A revision of the tariff has been suggested, but until a balance can be effected between the revenues and expenditures of the country, it is not likely that anything will be done. The annual deficits would soon accumulate. Nevertheless, while duties remain at their present high level, foreign countries can make only limited sales in Colombia.

The alcohol and liquor monopoly remained unchanged during the year. A monopoly was created to place on the market industrial or denatured alcohol. The company holding this privilege for Bogota and vicinity, after irregularly supplying the market for about ten months and gradually increasing the price of the product, finally gave up and no longer produces. The monopoly on hides proved impracticable and has been abolished.

REGISTRATION OF COMPANIES, PATENTS, ETC.—LAND GRANTS.

A law was passed in 1906 requiring the registration of all foreign companies carrying on business in Colombia and the publication, in the official paper, of their articles of association and other particulars. Business carried on by foreign private firms, and patents and trade-marks intended to be used here were also declared to require registration. Accordingly a portion of the *Diario Oficial* has been occupied this year in registration notices. The companies registered are nearly all English, and are mainly railway and mining companies, but there are a few German trading companies. American companies are not represented, but on the other hand the United States takes the lead in the registration of patents and trade-marks.

The Government issued a statement in the *Diario Oficial* of November 20, 1906, to the effect that five years of undisturbed possession and cultivation of public lands conferred the right of ownership and that titles would be granted to applicants upon the presentation of proofs of such facts. Accordingly the government officials were much occupied during 1908 in adjudicating land grants.

Another matter that has engaged much of the attention of the Government during the year has been the reorganization of the army. Military and naval schools for cadets have been established in Bogota and Cartagena, respectively.

EXCHANGE—NEW COINAGE.

Before 1886 Colombia had a gold and a silver currency which had been gradually leaving the country as the value of imports gained upon that of the exports. The years 1872 to 1874 were the most prosperous known here. Vast quantities of quinine were exported at high prices, and coffee also stood high with abundant crops. Then came a great fall in prices, and the transfer of the quinine industry to Ceylon. In 1875 both imports and exports declined and this was only the beginning of hard times during which money was drained from the country to such an extent that the merchants of Bogota in the year 1878 calculated that the entire amount of money circulating in the city was only \$200,000. Commerce almost came to a standstill for want of currency, and to remedy this evil President Nuñez introduced paper money.

The immediate effect of this measure was to double the trade of the country; the sudden rise was followed by a steady increase, and for many years the Colombian paper dollar stood at par. At the commencement of the great war in 1899 its value was about one-third of that of the American dollar, and it steadily depreciated until in November, 1902, no less than 250 Colombian paper dollars were required to equal in value one American dollar. Since the establish-

ment of peace the value has never risen above the ratio of 1 to 100, but has often fallen below it. President Reyes has always been anxious to redeem the paper and reintroduce a metal currency, but circumstances have not been favorable.

During 1907 the Government introduced a nickel currency for 1, 2, and 5 pesos, corresponding to 1, 2, and 5 cents in American money. This is much appreciated because the paper money for these small amounts soon became torn and soiled by passing through many hands. With this exception there is little metal currency in Colombia. During the year the value of the Colombian peso or paper dollar fluctuated very little, remaining always about the hundredth part of the value of an American gold dollar—that is to say, one American cent has been about equal to a Colombian dollar.

MINING INTERESTS.

There are few American mining companies in Colombia. The mines of the country have not had a prosperous year. The mine of one English company working in Tolima, and for many years paying large dividends, has been closed, the paying gravel having been exhausted. Other alluvial gravel mines in that district have lately struck poor streaks. Two other large English mines, working vein mines in the north of Antioquia, have not done well, and their shares are quoted at one-fourth their nominal value, but one of the latter is said now to have vastly improved prospects. Another mine in the same district, for which capital was raised in London and of which high expectations were formed, has proved unsuccessful through scarcity of good ore.

The well-known Marmato mine, in the Cauca valley, has passed into the hands of a new English company. A French syndicate has acquired the gold and silver mines of Santander, Alta, Baja, and Vetaz, successfully worked in the past, but long neglected, and is commencing work on an extensive scale. The English silver mines at Santana, Tolima, it is understood, have good ore in sight, but the output so far has not been large. Many concessions have been granted, principally to Colombians, for dredging the rivers of the Choco for gold and platinum, but practically nothing has been done under them. An Austrian company has a concession for dredging the Patia River, flowing into the Pacific near Barbacoas, and a dredge is now commencing operations. The United States seems to have taken little active interest in Colombian mining, although many prospectors visit the country.

Undoubtedly this industry is greatly handicapped by the wildly extravagant tales told by travelers and printed in books and papers about the fabulous mineral wealth of Colombia. There are vast tracks of alluvium in this country as yet untouched, but prospectors who come here expecting to find gravel yielding \$10 or more per cubic yard, as described by many writers, when they find only 30 cents or 50 cents per cubic yard go away disgusted, although these are excellent and paying averages.

It would be well if all the extravagant tales that have been circulated could be destroyed and prospectors could see the country as it actually is, without coming to it with false expectations. The stories of vast copper deposits current from the time of Humboldt have been

disproved over and over again, but are still printed in travelers' books and reports. Great copper deposits actually exist at Natagaima, but, although pure native copper has been found, it is too irregularly distributed in small pockets for profitable working, and the vast bulk of the lodes is valueless without smelting or concentration works. An English company has been formed to provide such works for dealing with the Natagaima copper and lead and the silver ore around Mariquita too poor for exportation in unconcentrated condition.

Considerable legislation in regard to mining has been enacted in Colombia in the last few years.

RAILWAYS AND ROADS.

During the year the extension of the Dorada Railway has been completed to Ambalema, but it parallels the Magdalena line and the traffic upon it is small and unremunerative. Five miles of the Santa Marta Railway were formerly declared as received in January, though it had been completed in October of the previous year.

On the Girardot Railway work has been pushed, but no new section has been opened.

The Antioquia Railway was extended 10½ miles by July last, and work continued during the year on 4 additional miles to a point where the greater difficulties begin.

Work was begun on the construction of a railway from Puerto Wilches toward Bucaramanga and continued to the end of the year. The Cauca Railway was extended to a length of 53 miles from Buenaventura, but only 17 miles were placed in service.

No Colombian railway is now in American hands since the handing over of the Cartagena (Colombia) Railway Company to English capitalists, the forfeiture of the Cauca railway concession to the Banco Central, and the suspension of work on the Darien and Medellin project.

Mule and cart roads are in course of construction in many parts of the country, but there has not been as much of this work done in 1908 as in each of the previous two years.

RIVER AND HARBOR IMPROVEMENTS.

The Magdalena is the main artery of Colombian internal communication, but obstructions to navigation exist in many places, especially near Puerto Berrio, in the form of trees and shifting sand banks. The Government in 1906 offered special privileges and endowments to any of the steamboat companies that would undertake to put the river in a satisfactory state, but no engineering details of the required works were described or stated. No response to the offer was made. During this year the Government has issued regulations respecting navigation, in order to minimize existing evils.

Many plans have been made and proposals put forward for creating a passage through the sand bar obstructing the mouth of the Magdalena, and under the direction of an American, one of the consulting engineers of the city of New York, a preliminary survey has been made for the improvement of the Bocas de Ceniza entrance.

The Government granted a concession for the reopening of the old entrance to Cartagena Harbor known as the Boca Grande, closed by the Spaniards through fear of pirates and hostile fleets, but the time for commencing the work has elapsed and nothing has yet been done. It would be a great advantage to steamers using the harbor if this improvement could be carried out.

NEW INDUSTRIES—MUNICIPAL IMPROVEMENTS.

During the year there was continued activity in the establishment of knitting mills. A new one was put in operation in Bogota and also one in Medellin. The knitting mill at Samaca, in Boyaca, imported a large amount of new machinery, but has not installed it as yet. A match factory was established in Bogota and reached a gross production of \$3,000 per month.

The capacity of the electric-light plant of the Compañía de Energía Eléctrica de Bogota was about doubled, bringing it to 2,000 kilowatts. During the latter part of the year electric lighting plants were being installed in Tunja and in Manizales. A refinery for petroleum was under erection in Cartagena, but was not completed by the end of the year.

The Diario Oficial of March 11, 1907, provided for the general planting of trees and other improvements in towns and villages. Since the close of the war many improvements have been made in the capital city in the way of pavements, cement walks, and a new park has been opened. The street-car line is being converted into an electric system.

BARRANQUILLA.

By CONSUL CHARLES C. EBERHARDT.

According to custom-house figures the total trade of Barranquilla in 1908 amounted to \$15,124,091, of which \$8,219,127 represented imports and \$6,904,964 exports. In 1907 the total trade amounted to \$14,713,599, the imports being valued at \$8,114,180 and the exports at \$6,599,419. The trade for 1908 exceeded that of 1907 by \$410,492, the imports showing an increase of \$104,947 and the exports \$305,545.

The total value of declared exports to the United States, exclusive of returned goods, was \$4,835,321 in 1908, an increase of \$626,251 over 1907. The articles and their values for each of the past two years were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Asphalt.....	\$3,470	\$2,451	Rubber.....	\$87,454	\$29,768
Balsam.....	6,138	5,126	Other articles.....	14,204	3,130
Coffee.....	2,653,901	3,163,352			
Copper, old.....	1,496	875	Total.....	3,667,082	4,040,137
Hair.....	1,271	1,070	Bullion and coin:		
Hats (Panama).....	234,154	174,514	Gold dust and bars....	533,260	790,114
Hides and skins.....	635,384	622,321	Gold and silver bars....		2,894
Ivory nuts.....	901	5,011	Silver.....	1,223	780
Orchids.....	3,797	5,623	Coin.....	7,506	1,396
Ore, mineral.....	24,912	27,196	Grand total.....	4,209,070	4,835,321

THE UNITED STATES BEST CUSTOMER—SHIPPING.

The United States took 70 per cent of the total exports from Barranquilla in 1908. Two noteworthy increases were in the exports of coffee, \$509,451, and in those of gold, \$256,854. The coffee crop was one of the largest and best that Colombia has ever produced, and the increased production of gold was caused by the renewed interest and intelligent effort displayed by mining men actively engaged in this industry.

The decrease in Panama hats, it is claimed by local exporters, was due to the high duties charged by the United States on such goods, more or less overstocking of the American market in 1907, and close competition which has rendered their business less profitable, some even claiming to have lost heavily, while the generally demoralized condition of the rubber market in the early part of 1908 may be said to have caused the falling off in rubber shipments.

The imports into and exports from Barranquilla for 1908 amounted to 39,311 and 30,470 metric tons, respectively. The number of vessels entered and cleared and amount of cargo received and shipped at the port were as follows:

Flag.	Imports.			Exports.		
	Steam- ers.	Amount of cargo.		Steam- ers.	Amount of cargo.	
		Number.	Tons.		Number.	Tons.
Colombian, Dutch, etc.....	a 18	5,360	44	a 33	24,859	379
English.....	86	111,197	9,436	72	259,500	9,831
French.....	27	32,989	2,757	30	26,970	1,699
German.....	79	357,294	25,169	88	385,029	18,234
Italian.....	12	10,549	892	11	3,677	111
Spanish.....	12	17,291	1,013	12	7,364	216
Total.....	234	534,680	39,311	246	707,399	30,470

a Sailing vessels.

The river traffic continues under the control of two companies, the Empresa de Navegación "Louis Gieseken," and the Magdalena River Steamboat Company (Limited), with practically the same number of boats in their respective fleets as in 1907. These two companies are no longer to enjoy such control of this traffic, as another company, which has already ordered two stern-wheel steamboats from the United States, expects soon to begin active competition.

HEALTH AND BUSINESS CONDITIONS.

No quarantinable diseases existed during the year, and the general health conditions can be said to have been fairly good, notwithstanding that the number of deaths from all causes reported was 1,408, or, estimating the population at 40,000, a trifle over 35 for every 1,000; a considerable increase as compared with 27 per 1,000 in 1906 and 22 per 1,000 in 1907. Such a rate might cause some apprehension, but approximately 75 per cent of the total number of deaths (72) which

occurred during one week in the heated term were among the infants of the poorer laboring class, and the same proportion may be said to be more or less true for the entire year. Barranquilla will compare favorably, in health conditions, with almost any town in tropical regions.

While several of the important business houses of Barranquilla were affected by the stringency of the money market, all seem to have passed through the crisis successfully, and no outright failures were reported. While there was considerable improvement in general business conditions over those of 1907, little building or construction work of any importance was carried on in 1908, the only noteworthy improvements being the newly-erected 100-barrel flour mill, now commencing operations. Work also continued, with some interruptions, on the construction of the highway, approximately 25 miles in length, from Barranquilla to Usiacuri, where springs, said to contain water of medicinal properties, exist. This is the only highway in this consular district which receives any particular attention and when completed it should be of considerable practical value to travelers between these two points, though at present there are but 9 miles completed.

Consular Agent Silas H. Wright, of Medellin, reports that no goods were declared at that agency for export to the United States during 1908.

SANTA MARTA AGENCY.

The Santa Marta district has sprung into prominence within a very few years and is attracting the attention of capitalists both in Colombia and abroad because of its tested and proven natural advantages for the production of bananas and coffee.

Practically all of the export business of Santa Marta is made up of these two articles and both are being exported in steadily increasing quantities, though data covering coffee shipments are not available as Europe consumes practically the entire output.

In the matter of the output of bananas, however, the United States may be said to be virtually the only consumer, though a few shipments were made to Europe in 1908, and it is hoped that a responsive market may be established there to take the extra supply which the United States can not possibly use, if the present policy of increased production is to be continued. Great areas are being cleared and planted in bananas, and it is estimated that at the present rate of activity the output for 1908, 2,225,086 bunches, will be more than doubled in five years.

The banana shipments to the United States in 1908 amounted to 2,225,086 bunches valued at \$772,411, against 1,938,046 bunches valued at \$709,573 in 1907.

At present most of the hauling of bananas from the plantations to the spurs of the Santa Marta Railroad is done in huge two-wheeled carts. Perhaps narrow-gauge railroads could be introduced. The felling of the trees is done hurriedly and crops planted in the midst of the stumps which are left standing. Perhaps American manufacturers of stump-pullers could show the owners where it would be to their advantage in way of increased acreage, etc., to have these stumps

removed by their stump-pullers immediately after the trees are felled, and manufacturers of other implements might find it an inviting field for their goods.

The declared value of exports to the United States in 1908 was \$805,008, an increase of \$56,094 over the previous year. The articles in 1908 and their values were as follows: Alligator pears, \$1,027; bananas, \$772,411; cacao, \$5,431; coffee, \$5,712; hides and skins, \$20,387; other articles, \$40.

With the prospects favorable for the control by the different departments throughout the Republic of liquor production and other by-products of sugar cane; the establishment of a new line of steamboats on the Magdalena River; increasing activity and interest in coffee and banana culture in the Santa Marta district, where general conditions are most favorable to the production of such crops; and the renewed interest which is being manifested in the mining industry of the interior, not only Barranquilla, Santa Marta, and Medellin, but also Colombia in general, seem about to enter upon a period of prosperity, the prospects of which give Colombians and foreigners alike abundant encouragement.

CARTAGENA.

By CONSUL ISAAC A. MANNING.

The total value of exports through this port to the United States in 1908 was about \$130,000 less than in 1907, most of the decrease resulting from the diversion to the port of Barranquilla of nearly all gold coming down the Magdalena River during the first quarter of the year.

The exports of coffee showed an increase of about \$170,000 over those of 1907. Panama hats have nearly held even in exports with 1907, when the amount was \$125,999, against \$121,617 for 1908. Cedar and mahogany exports reached only \$65,674 in 1908, as compared with \$72,750 during 1907.

Of hides, the exports to the United States have increased wonderfully since the removal of the government monopoly, as proven by the fact that of the total exports of \$171,860 during 1908, \$9,590 was the value of the exports of the first quarter of the year, \$22,166 that of the second, \$54,841.37 of the third, and \$85,262 of the fourth. The total shows an enormous increase over the \$49,995 of 1907, and was but little less than that of 1905, when the value of hides sent to the United States was \$172,927.

The exports of ipecac showed a decrease, but those of vegetable ivory or ivory nuts an increase of about \$15,000. Rubber exports fell from \$121,797 to \$82,585, and those of platinum also showed a marked decrease, having fallen from \$93,539 in 1907 to \$24,107 in 1908. This is explained partly by the decrease in the price of platinum, and also by the withdrawal by the Colombian Government of the right of filing on platinum ground.

Economic conditions abroad have affected Colombia as well as domestic conditions, and have had their effect on the initiative of the people.

ECUADOR.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL HERMAN R. DIETRICH, GUAYAQUIL.

The total exports from Ecuador in 1908 were valued at \$13,279,602, an increase of \$1,486,389 over the previous year; of this increase \$1,282,000 may be attributed to increased shipments of gold coin.

Countries showing a notable increase in the value of products purchased from Ecuador over the previous year were: France, with an increase of \$1,006,505; United Kingdom, \$595,990; United States, \$524,277; Spain, \$441,683; and Austria-Hungary, \$93,017. In the case of the United States, if the shipments of gold coin, which amounted to \$1,100,000, and returned American goods valued at \$3,616 were deducted, the apparent increase would be changed to a decrease of \$579,339.

During the same period Germany purchased \$491,845 less of Ecuador's products than in 1907; Peru, \$366,917; Italy, \$141,655; Netherlands, \$80,425; and Chile, \$66,389.

PRINCIPAL EXPORTS AND IMPORTS.

The principal products exported were cocoa, straw (Panama) hats, coffee, ivory nuts, rubber, gold ore, and hides. The total imports into Ecuador in 1908 were valued at \$10,277,365, an increase of \$427,378 over 1907, which was due to the gradual development and growth of the Republic.

The countries showing increased sales of commodities to Ecuador in 1908 as compared with the previous year were: Germany, with an increase of \$348,727; France, \$140,314; Great Britain, \$61,413; Belgium, \$44,567; and Italy, \$41,851. Shipments from Spain were about the same as during the previous year. The countries showing a notable decrease in the sale of their commodities to Ecuador in 1908 were the United States, with a decrease of \$300,336; and Chile, \$97,495.

The leading articles of import were textiles, foodstuffs, iron and hardware, clothing, wines and liquors, machines and machinery, leather, boots and shoes, drugs and chemicals, candles, hats and caps, coal, soap, paper, crockery and glassware, furniture, jute bagging, and kerosene.

The total exports from and imports into Ecuador for each of the last five years, and the shares of the United States, were as follows:

Year.	Imports.		Exports.	
	Total.	From United States.	Total.	To United States.
1904.....	\$7,669,585	\$2,448,924	\$11,520,309	\$2,616,887
1905.....	7,866,945	2,271,121	9,282,834	2,535,669
1906.....	8,505,800	2,328,450	11,690,243	3,920,776
1907.....	9,849,987	2,349,182	11,793,213	3,347,185
1908.....	10,277,365	2,048,846	13,279,602	3,871,462

DISTRIBUTION OF EXPORTS.

The total value of exports from Ecuador in 1908 and the proportion sent to each country are shown in the table which follows:

Country.	Value.	Country.	Value.
United States.....	\$3,871,462	Mexico.....	\$30,510
Argentina.....	20,086	Netherlands.....	44,813
Austria-Hungary.....	116,800	Panama.....	34,055
Belgium.....	10,803	Peru.....	74,382
Chile.....	281,871	Spain.....	799,793
Colombia.....	3,656	United Kingdom.....	1,761,587
Cuba.....	16,229	Uruguay.....	24,377
France.....	5,062,885	All other countries.....	28,827
Germany.....	991,782		
Italy.....	115,885	Total.....	13,279,603

The portion of each of the six leading articles of export taken by the chief purchasers of Ecuadoran products is shown in the following table:

Country.	Cocoa.	Coffee.	Hats.	Hides.	Ivory nuts.	Rubber.
United States.....	\$1,533,138	\$72,685	\$221,360	\$128,661	\$130,498	\$312,575
Chile.....		196,000				
France.....	4,869,085	12,538	63,676	10,025	71,859	8,298
Germany.....	434,963	138,368	92,972	10,068	192,866	97,218
Italy.....	45,466				57,922	
Spain.....	733,386					1,830
United Kingdom.....	1,028,972	24,851	318,690	15,092	17,986	1,840

France is the largest buyer from Ecuador, while the United States comes next and the United Kingdom third. Much the largest part of the cocoa goes to France, while Chile is the best customer for coffee, with Germany second. The United Kingdom is the largest buyer of straw hats. The United States takes by far the largest part of the hides and rubber, while Germany is the largest purchaser of ivory nuts.

The value of the exports from Ecuador during 1908, by principal articles, is shown in the following table:

Articles.	Value.	Articles.	Value.
Bark, cinchona.....	\$10,303	Skins, alligator.....	\$12,115
Capoc (vegetable wool).....	13,332	Straw:	
Cocoa.....	8,868,520	Mocora, for hammocks.....	23,340
Coffee.....	520,920	Toquilla, for hats.....	33,637
Fruits, fresh.....	54,284	Tobacco, leaf.....	15,056
Gold, bullion and dust.....	195,684	All other articles.....	46,638
Hats, straw.....	799,284		
Hides.....	166,703	Total.....	11,879,349
Ivory nuts.....	492,626	Gold coin.....	1,400,254
Orechilla.....	25,855		
Ore, gold.....	179,292	Grand total.....	13,279,603
Rubber.....	421,761		

Of the exports of gold coin, \$1,100,000 went to the United States, \$300,000 to England, and \$254 to France.

EXPORTS TO THE UNITED STATES.

The exports from Ecuador to the United States during 1908, as given by the Ecuador custom-house statistics, were as follows:

Articles.	Value.	Articles.	Value.
Cocoa.....	\$1,533,138	Skins, alligator.....	\$12,115
Coffee.....	72,685	All other articles.....	3,787
Gold, bullion and dust.....	188,000		
Hats, straw.....	221,360	Total.....	2,767,846
Hides.....	128,661	Gold coin.....	1,100,000
Ivory nuts (tagua).....	130,498	Returned American goods.....	3,616
Ore, gold.....	166,047		
Rubber.....	312,575	Grand total.....	3,871,462

The minor items of export included cotton, curios, and samples of fiber, quartz, placer sand, saddles, sarsaparilla, and woods.

The value of the exports to the United States for 1908, as declared at the consulate-general in Guayaquil, was as follows:

Articles.	Value.	Articles.	Value.
Cocoa.....	\$1,588,305	Rubber.....	\$262,602
Coffee.....	64,349	Silver:	
Cotton.....	1,286	Bullion.....	2,443
Curios.....	510	Cyanide precipitates.....	7,668
Fiber.....	187	Sweeps.....	2,000
Gold:		Skins, alligator.....	16,985
Bullion.....	174,281	Total.....	2,530,538
Cyanide precipitates.....	113,605	Gold coin.....	1,100,000
Dust and sweeps.....	42,643	Returned American goods.....	3,254
Hats, straw.....	122,211		
Hides, cattle.....	122,127	Grand total.....	3,633,792
Ivory nuts.....	19,277		
Quartz.....	59		

Mr. Alberto Santos, consular agent at Bahia de Caraquez, reports a total of \$283,628 as the declared value of exports from that place to the United States. This included \$214 worth of returned American goods. The largest items were cocoa, \$166,160; rubber, \$84,514, and ivory nuts, \$25,388.

Mr. George D. Hedian, consular agent at Esmeraldas, reports declared exports to the value of \$86,959, of which \$138 were returned American goods. Ivory nuts constituted \$52,488 worth of the exports; rubber, \$23,510; and gold dust, \$10,108.

Mr. Max Voelcker, consular agent at Manta, reports \$88,113 as the value of declared exports for 1908. Ivory nuts made up \$44,851 of this sum; ox hides, \$15,510; rubber, \$14,899; and straw hats, \$7,170.

GENERAL IMPORTS.

The value of the principal imports into Ecuador during 1908, by articles, is shown in the following table:

Articles.	Value.	Articles.	Value.
Arms, ammunition, etc.....	\$169,962	Leather, boots, and shoes.....	\$206,146
Automobiles and bicycles.....	16,845	Lumber.....	11,792
Bagging, jute.....	118,038	Machinery.....	260,634
Bags, jute and paper.....	55,062	Matches.....	42,358
Boats and launches.....	18,893	Musical instruments.....	76,955
Books, blank and printed.....	64,190	Paints and oils.....	54,668
Candles.....	168,773	Paper.....	141,434
Carriages and wheels.....	18,378	Perfumery.....	45,345
Cement.....	30,604	Railroad material.....	22,390
Clothing.....	574,662	Soap.....	142,618
Coal.....	149,238	Silk fabrics.....	528,504
Cordage and twine.....	66,313	Textiles, other than silk.....	2,066,514
Crockery and glassware.....	121,833	Wines and liquors.....	527,586
Drugs and chemicals.....	204,258	All other articles.....	1,232,449
Foodstuffs.....	1,137,949		
Furniture.....	118,674	Total.....	9,346,213
Hats and caps.....	156,182	Gold coin.....	931,152
Iron and hardware.....	666,435		
Jewelry, watches and clocks.....	25,050	Grand total.....	10,277,365
Kerosene.....	116,434		

Of the gold coin imported, \$625,000 came from Great Britain, \$256,152 from Peru, and \$50,000 from the United States.

Over 90 per cent of the imports came through the port of Guayaquil, and nearly the same proportion of the exports passed out at this port. Among the lesser ports of entry Manta was first and Bahia de Caraquez second as to value of imports, while in exports this order was reversed.

The customs receipts for 1908, including import and export duties and light-house dues, amounted to \$5,148,314, of which \$4,455,732 was received at Guayaquil, \$241,078 at Bahia de Caraquez, \$219,895 at Manta, and \$143,859 at Esmeraldas.

LEADING PRODUCTS—MANUFACTURES.

The cocoa crop of 1908 was the largest ever produced by Ecuador, amounting to 70,662,042 pounds, valued at \$8,868,520, compared with 43,348,369 pounds in 1907, valued at \$6,934,257, an increase in production of 27,313,673 pounds, and in value of \$1,934,263.

In 1908 there was a marked shortage in the crop of ivory nuts, or tagua, in Ecuador, as well as in the neighboring Republic of Colombia, which caused a slight advance in the price of this product in the early months of the present year. Shipments of tagua from Ecuador in 1908 aggregated only 22,798,532 pounds, valued at \$492,626, compared with 47,131,627 pounds in 1907, valued at \$1,358,056. This was a decrease in weight of 24,333,095 pounds, or more than 50 per cent, while the decrease in value amounted to \$865,430.

"Cabuya," or sisal fiber, a product which heretofore has been virtually unknown here, is now receiving some attention in the Republic, and the small trial shipments of this article made in 1907 have attracted sufficient interest to cause several other shipments to follow, both to the United States and to countries in Europe. There seems to be no reason why this article should not attract the attention of some of the importers in the United States. The same is true of capoc, or vegetable wool, and orchilla, or archil lichen. The latter is a dyestuff of considerable merit, but apparently these articles have not been brought to the attention of American importers.

Manufacturing interests in the Republic have not increased to any notable extent during the year, and are therefore still represented in a moderate way. Probably the most important advance was the erection of a shoe factory in Guayaquil, which is nearing completion and in which will be installed the latest improved American machinery. Many handmade shoes have been manufactured yearly in Ecuador, and a substantial factory equipped with machinery will be of much interest to the inhabitants of the Republic.

In the latter part of 1908 the electric light company and the company controlling the electric tramway now under construction in Guayaquil united, forming one company with a combined capital of \$800,000. It is the intention to utilize the water power in the foothills of the Andes, which may be reached within about 50 miles, for the purpose of operating both plants in the near future, which it is reported can be done at a moderate expense.

The establishment of the electric tramway, which now has its track laid on a number of streets, has already had the effect of reducing the value of the stock of the mule car line from \$1.60 to 90 cents.

BANKING—FIRE INSURANCE—SHIPPING.

Of the banks in Guayaquil the Bank of Ecuador, with a paid-up capital of 3,000,000 sucres (sucre=48.7 cents) paid a dividend for 1908 of 16 per cent. The reserve fund on January 1, 1909, was 1,250,000 sucres and the fund for anticipated payments 426,878 sucres. The Banco Comercial y Agrícola, with a paid-up capital of 5,000,000 sucres, on June 30, 1908, declared an anticipated dividend of 6 per cent for the last half of the year. Its reserve fund at the close of 1908 was 540,000 sucres and its dividend fund 207,042 sucres. The Banco Territorial, with a paid-up capital of 700,000 sucres, showed a net profit of a little more than 9 per cent for 1908, of which 5 per cent was paid to the stockholders and the balance credited to the reserve fund and other accounts. The Guayaquil Savings Bank, with a paid-up capital of 50,000 sucres, had a net profit of nearly 11 per cent for 1908.

In 1908 property to the value of \$3,427,560 in Guayaquil was insured against fire, and the premiums paid amounted to \$172,042. British companies held 75 per cent of this, German companies 7 per cent, companies in Netherlands 1 per cent, and the Guayaquil Fire Insurance Company the remaining 17 per cent. The statement of the Guayaquil company shows a paid-up capital of 1,000,000 sucres and a net profit for the year of a little over 6 per cent. The amount of insurance written by it in 1908 was 1,145,000 sucres, on which the premiums amounted to 45,858 sucres.

During 1908, 175 steamers and 9 sailing vessels, with a registered tonnage of 399,333, entered the port of Guayaquil. Of the steamers 91 were British, 53 Chilean, 27 German, 3 French, and 1 Norwegian; and of the sailing vessels 4 were British, 2 German, 2 Norwegian, and 1 Russian.

Passengers arriving at Guayaquil are not placed in quarantine, provided no case of contagious disease has occurred on board the vessel on which they come. Vessels coming from the south are fumigated on arrival by Ecuadoran authorities unless they have been fumigated at Callao before leaving and have come directly from that port. All vessels sailing for Panama are fumigated just before leaving for ports of the United States or its dependencies, if they take cargo here.

PARAGUAY.

REVIEW OF TRADE CONDITIONS.

By CONSUL EDWARD J. NORTON, ASUNCION.

The total foreign trade of Paraguay in 1908 amounted to \$7,661,469 gold, of which the imports were valued at \$3,929,724 and the exports at \$3,731,745, against a total of \$10,699,974 for 1907, of which the imports were \$7,586,128 and the exports \$3,113,846. The value of imports and of exports, by principal countries, during 1908 was as follows:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$214,467	\$1,231	Spain.....	\$256,189	\$27,165
Argentina.....	743,660	1,830,365	United Kingdom.....	868,257	.....
Belgium.....	45,756	146,013	Uruguay.....	44,836	529,204
Brazil.....	45,850	29,993	All other countries.....	42,526	262,591
France.....	355,558	78,073			
Germany.....	989,047	812,186			
Italy.....	323,578	14,924	Total.....	3,929,724	3,731,745

The value of the principal imports during 1908 is shown in the following statement:

Articles.	Value.	Articles.	Value.
Beverages.....	\$253, 274	Hats.....	\$47, 829
Books.....	19, 995	Hides and skins.....	17, 610
Clothing.....	36, 446	Jewelry.....	9, 650
Drugs.....	48, 781	Lamps.....	2, 478
Firearms.....	45, 920	Notions.....	135, 135
Foodstuffs.....	981, 919	Perfumery.....	26, 250
Furniture.....	5, 790	Shoes.....	6, 246
Hardware.....	319, 947	Textiles.....	727, 471

The decrease of \$3,656,404 in imports was caused by the effects of the commercial crisis and by the unusually heavy buying of 1907.

GERMANY LEADS IN IMPORTS.

Direct imports have been very light for some time, as merchandise is being purchased in small quantities from the representatives of European and American manufacturers in Buenos Aires and Montevideo. For years the United Kingdom has led in supplying imports into Paraguay, but the figures for 1908 show that Germany has now won first place. While the figures are official, there is invariably a difference between the statements of exports and imports as prepared by the customs authorities and the returns as prepared by the statistical office. On this account the figures can not be considered as wholly exact regarding either the values of imports and exports or the countries of origin or destination.

It is quite possible, however, that Germany, as shown, is entitled to first place among the countries from which Paraguay secured its imports in 1908, as many important British houses with representatives in Asuncion practically withdrew from the market during the past year on account of the serious financial and commercial depression that began in 1907 and which still continues.

Local importers have been able to pay very small amounts on their long overdue bills and, with few exceptions, asked for further extensions of time in order to meet their obligations. The field was left open to the Germans, who were willing not only to extend credits in order to tide their customers over the period of commercial crisis, but to open new accounts.

Commercial failures were few, and these involved only the smaller merchants. On the whole, the business men of Paraguay are doing well in facing an unfavorable situation, and the older and larger houses will undoubtedly withstand the strain. The local banks are carrying an enormous amount of paper, but the notes are well secured, and money is not as scarce as might be expected. Sudden fluctuations in exchange, with a steady increase in the rate throughout the year, had the effect of further disturbing commercial circles.

TRADE WITH THE UNITED STATES.

The official returns for 1905 credited the United States with having furnished imports to the value of \$109,677, and those for 1907, \$387,325, while in 1908 the value was \$214,467. The imports in 1908 consisted chiefly of the following lines:

Articles.	Value.	Articles.	Value.
Foodstuffs.....	\$32,391	Hardware.....	\$58,346
Firearms.....	4,171	Drugs.....	7,584
Shoes.....	1,032	Patent medicines.....	561
Textiles.....	1,971	Hides and skins.....	1,702
Hats.....	2,129	Perfumery.....	910
Notions.....	630	Fixtures for druggists.....	1,189

The balance of the goods coming from the United States consisted of small amounts of lamps, saddlery, jewelry, medical instruments, furniture, books, and ready-made clothing. In comparison with the returns for 1905, the trade of the United States shows an encouraging increase in nearly all lines.

During the past year, in spite of the unfavorable condition existing here, Paraguay increased its purchases of agricultural machinery, and many new articles from the United States made their appearance in this market. These goods include pumps, paints, typewriters, photographic apparatus and accessories, cash registers, steam boilers, carpenters' tools, safety razors, cereals, and California tinned fruits. The different newspaper offices and printing establishments in Asuncion have installed three or four new linotype machines, while the general post-office has recently set up a complete equipment of lock boxes made in the United States. The annual imports of kerosene oil from the United States are estimated to be from 60,000 to 70,000 cases of 10 gallons each.

OPPORTUNITIES FOR EXTENDING AMERICAN TRADE.

Despite the difficulties that stand between the exporter of the United States and the Paraguayan market, the trade is growing steadily. Transportation facilities, freight rates, and incidental charges are all in favor of the European manufacturer, and the question of credits remains as a serious obstacle to a large increase in imports of merchandise from the United States. The local importing houses are not asking for new credits, and their purchases are limited to small quantities of absolutely necessary goods. All stocks are running low and when commercial conditions improve the exporters of the United States should secure a considerable amount of new business in Paraguay. The best opportunities for extending trade will be found in agricultural machinery, including plows, corn and feed mills, windmills, rice-cleaning mills and small sugar mills and boilers; sawmill and woodworking machinery; hardware; patent medicines and drugs; leather; shoes; office furniture; stationery and stationers' supplies, and notions.

With very few exceptions all goods from the United States have arrived in good condition, and local importers have no complaints to make about poor packing. There has been, however, considerable dissatisfaction regarding the slowness of American exporters in acknowledging orders and of their negligence in failing to follow shipping instructions.

INCREASE IN EXPORTS—RAILWAY EXTENSION.

The increase during 1908 of \$617,899 in exports from Paraguay was due to heavier shipments of timber and unusually good crops of tobacco and fruits. The exports of quebracho extract show an

increase, but the total of yerba maté exported was about the same as that for 1907. A decline is noted in the exports of hides and jerked beef.

Shipments to the United States consist of oil of petitgrain, a distillation obtained from the leaves of the bitter orange. The declared value of oil exported to the United States in 1908 amounted to \$14,678, against \$10,002 in the previous year.

There has been no stop in the work of extending the line of the Paraguay Central Railway to Encarnacion where it will join the Argentine Northeastern, and in 2 years or less Asuncion will be placed in direct rail communication with Buenos Aires. Several other lines are projected, and 1909 may see one or more new railways under construction.

PERU.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL SAMUEL M. TAYLOR, CALLAO.

The trade and financial condition of Peru for the past 14 months do not admit of an encouraging report. Ever since the disturbances of May, 1908, there has been business depression, until it has at last become most serious.

Trade statistics for 1908 have not been compiled, but it may safely be stated that there has been a falling off in trade of 30 per cent to 40 per cent, and some houses report even larger decreases. The effect on the government revenues has been most serious. The receipts for 1907, 1908, and the first four months of 1909 were \$13,773,771, \$13,922,078, and \$3,392,909, respectively. The expenses for 1909, for which appropriations have been made by the Congress, amount to \$14,969,285. The deficiency will amount to over \$4,500,000.

Peru for some years prior to 1908 had remarkable prosperity, and the reaction is felt more keenly than had the prosperity been normal. During the prosperous period the mines of the country were bought up by foreign investors. Large sums were spent in developing the plants, and larger sums still were made as a result. This turned into the former Peruvian stock owners' hands very large sums of ready cash, which resulted in free expenditures that stimulated the trade of the country far beyond any former experiences. Now the mines of Peru are almost entirely owned by foreigners. Aside from the wages paid to workingmen and the money paid for local products, the profits go to foreigners, to be spent in foreign countries. Even the machinery and all the necessary equipment for operating are purchased abroad.

Aside from the mines the next greatest sources of income of the country are in the cultivation of rubber and in the sugar and cotton plantations. As for the rubber, that, like the minerals, is in the control of foreigners, and the sugar and cotton producing areas are very limited.

PRODUCTION OF COTTON AND COTTON SEED.

A prominent Lima firm interested in cotton and cotton seed, writing under date of January 20, 1909, gives the shipments of cotton and cotton seed from Peru during 1908, as stated at the top of the next page.

Ports.	Cotton.	Cotton seed.	Ports.	Cotton.	Cotton seed.
	<i>Pounds.</i>	<i>Pounds.</i>		<i>Pounds.</i>	<i>Pounds.</i>
Paita.....	6,527,800	9,576,596	Lomas.....	304,585	.....
Eten.....	756,713	1,300,187	Total.....	27,097,551	25,240,218
Supe.....	2,429,371	3,535,722	Lima production for local use.....	1,440,000	3,360,000
Huacho.....	2,638,215	1,576,429	Grand total.....	28,537,551	28,600,218
Cerro Azul.....	2,258,824	.....		
Tambo de Mora.....	6,187,709	5,096,010			
Pisco.....	5,994,334	4,155,274			

There were thus about 12,740 long tons of cotton and a little more than that of cotton seed produced. Of course the actual production of seed was considerably more than 12,740 tons, large quantities having been used for fuel and for the manufacture of oil cake, but it is impossible to obtain particulars of the quantities so used. The above quantity is only what has been shipped to Europe from Peruvian ports.

The production of cotton-seed oil during 1908 was about 40,000 quintals, or nearly 2,000 long tons.

RAILROADS—SHIPPING.

The transactions in iron and steel during 1908 were limited, but practically all the business done was with American firms. This is especially true of all new contracts.

During 1908, 80 miles of road were completed, from Oroya to Huancaayo; and 90 miles, from Sicuani to Cuzco, making a total of 170 miles. Construction is also being carried forward on the following roads: Huancayo to Ayacucho, 160 miles; Ilo to Moquegua, 118 miles; Tablonos to Recuay, 130 miles; Yonan to Magdalena, 39 miles; Tumbes to Palizada, 6 miles, a total of 453 miles.

In 1908 the number of vessels with cargo entering Callao was 626 with a tonnage of 1,203,338, and 60 vessels entered in ballast, representing a tonnage of 49,914. The corresponding figures for 1907 were: With cargo 669, tonnage 1,240,029; in ballast 41, tonnage 38,278. Of the 626 ships with cargo in 1908, 245 were British, 117 Chilean, 101 Peruvian, 80 German, 10 French, 32 Norwegian, and 31 American. In tonnage of vessels with cargo the United Kingdom led with 578,094 tons; Germany followed with 239,111; Chile had 206,593; Norway, 51,993; Peru, 40,379; France, 37,001, and the United States, 27,297.

Of the 60 vessels in ballast 26 were British, 16 Peruvian, 7 American, and 6 Norwegian.

DECLARED EXPORTS.

The declared value of exports from Peru (exclusive of Iquitos) to the United States in 1907 and 1908, respectively, is shown, by articles, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Antiquities.....	\$101	\$3,364	Sugar.....	\$601,355	\$446,250
Bark.....	1,010	.....	Sulphur.....	.....	1,749
Coca leaves.....	155,348	111,845	Sulphide of silver.....	16,767	13,405
Cocaine.....	200	2,980	Tools.....	514	266
Copper bars.....	4,376,469	5,327,810	Wool:	.....	.....
Cotton.....	630,854	694,346	Alpaca.....	503,848	75,698
Documents.....	.....	5,219	Sheep.....	615	.....
Goat and sheep skins.....	192,258	191,018	All other articles.....	1,232	1,033
Guano.....	197,750	269,306	Total.....	7,841,615	7,842,032
Hats, straw.....	66,794	54,817	Returned American goods.....	6,537	16,904
Hides.....	32,037	.....	Grand total.....	7,848,152	7,858,936
Household effects.....	4,740	500			
Ores.....	834,565	463,404			
Rubber.....	225,158	189,506			
Specimens, natural history.....	.....	417			

The declared exports from Callao for 1908 are shown in the following table:

Articles.	Value.	Articles.	Value.
Antiquities.....	\$3,119	Sulphide of silver.....	\$8,212
Cocaine.....	2,781	Sulphur.....	1,479
Copper bars.....	2,718,394	All other articles.....	1,129
Cotton.....	110,487	Total.....	3,294,845
Guano.....	176,504	Returned American goods.....	7,298
Ores.....	204,506		
Skins, goat.....	21,311	Grand total.....	3,302,143
Sugar.....	46,913		

CONDITIONS GOVERNING PERUVIAN TRADE.

Business men in the United States, when disappointed with the amount of orders from South American countries like Peru, should consider that, aside from mining and rubber interests, the capital invested here by American houses is comparatively small. On the other hand, many of the largest business houses here are simply branches of parent concerns in Europe, and some of these are supplied with ships to carry their goods from the parent house. The capital invested is large and the trade which they have built up is the result of patience, easy credits, and careful attention to the people's tastes and needs. More than that, they are here when the goods arrive and can see that their customers not only get what they order, but get it in good condition.

It is not satisfactory to a business firm here, on receiving a consignment from the United States and after paying the duties on the entire invoice, to find on inspection that the lot is damaged, inferior, or possibly has a portion missing, while, in the meantime, the papers have been sent to some banker here to be presented to the purchaser for his acknowledgment of responsibility in order that the goods may be turned over to him. It is little wonder that importers prefer to pay more in the first instance and thus be certain of getting what they order. Traveling salesmen from the United States express surprise that they can not induce old and substantial houses to take an interest in their samples, although the prices they quote and the quality of goods offered are tempting enough. But the merchant's former experiences may have made him somewhat shy about ordering. In time this will no doubt be overcome.

There is another matter to be taken into consideration when figuring on South American possibilities. There are few Americans in the employ of any business houses here. Even American houses, aside from a few of the head men, are supplied with help from Europe. This is not an accidental condition, but intentional. Asked why this is so, the manager of one of the largest American houses in South America, and himself an American, replied: "We find them better suited to our needs. These young men come here on contract for two years. With them it is not simply an opportunity to travel and see the world, but in most cases they come with the expectation of remaining. If they can not speak the language already, they soon learn it. Then they live within their salaries, save something each year. They are very apt to marry in the country and become a part of it, which gives their home countries still greater advantages."

MOLLEND0 AGENCY.

By CONSULAR AGENT ENRIQUE MEIER.

The Peruvian Government continues to prohibit the giving out of certain data by the customs authorities, so that it is impossible to obtain complete statistics concerning imports from different countries. The total sum paid in duties, however, amounted in 1908 to \$173,099 more than in 1907. Although this seems to show an improvement, business generally has fallen off. Imports have decreased a great deal on account of the monetary crisis; merchants can not get rid of their heavy stocks, which puts them in great financial difficulties. Since the accumulation of cargo has ceased there is no longer delay in dispatching fresh arrivals through the custom-house to the interior.

There are eight steamship companies, with 139 ships altogether of 465,487 tons, trading regularly at this port. The number of ships calling here in 1908 was 478 of 1,180,041 tons, against 439 of 1,047,824 tons in 1907, an increase of 39 in the number of vessels and 132,211 tons in tonnage. The United States was represented only by 5 sailing vessels of 3,376 tons.

Mollendo is situated in the middle of an open bay, and a small breakwater is being constructed to protect the lighters when discharging their cargoes on the quay. It is of very little use, however, during heavy seas. Under the present engineer this work is going on favorably. Huge blocks of concrete are being made for its construction and for the most part are proving satisfactory. Formerly there were only two steam cranes to work with, but now there are eight. The small amount already completed has on several occasions prevented the port from being closed, so that it is clear that when the work is finished the facilities for landing passengers and discharging cargo will be greatly improved. The sea is too deep to permit the making of a proper shelter for ships.

RAILWAY BUILDING.

When the last report was written, the railway line toward Cuzco had been built as far as Checacupe. The rails reached Cuzco on September 13, 1908, and a regular service of trains is now running. The joining of the central and southern railway systems of Peru will therefore need only some 300 miles of track—from Huancayo to Cuzco. The company is at present studying the ground from Cuzco to the Santa Ana Valley with a view of extending the line in that direction. The railway company here has transported some 20,000 tons of material to La Paz for the new line from that place to Arica, via Lluta. This seems to be against its own interests, because the construction of the new railway is believed to mean practical destruction to the Ferro Carriles del Sur del Peru, which connects by steamer and tramway with La Paz. The new line will be 297 miles in length, whereas the route from Mollendo to La Paz is now 500 miles in length. Eighty tunnels and many deep cuttings are to be constructed on the new line in order that there may be as little climbing as possible. Arica will make a far better port than Mollendo, as it does not get the constant swell which prevails at Mollendo; therefore

when the line is finished it will take about two-thirds of the trade away from this port.

The work is being pushed with all possible speed as it is to be completed in three years from the beginning of 1909. An English firm has taken over this work to cost \$15,000,000, and work has been commenced at both ends. To meet this strong competition the company here is suggesting the doing away with the steamer service on Lake Titicaca and the building of a line around the lake from Puno to Guaqui, then the running of through night trains. Goods and passengers will then be able to get into La Paz from Mollendo in 18 to 20 hours.

OPPORTUNITIES IN AGRICULTURE AND MINING.

The pampa of Bodega, in the district of Caraveli, Province of Camana, is an area of 60 square miles of very fertile soil, and affords opportunity for capital to be profitably invested in irrigation. Water could be obtained at reasonable expense.

It is generally known that Peru abounds in minerals. Even on the coast there are veins of gold and copper, yet, strange to say, these veins have never been properly worked, attention having been given chiefly to those in the interior. It is probable that the veins in the interior are believed to be richer, yet even if this should be the case the veins on the coast would prove more profitable, as the heavy expense of transportation is avoided. If more capital were invested in a few mines on the coast near Ilo, Quilca, and Chala a very good business might be done, as quantities of good gold and copper could be obtained. The company which was formed in Antofagasta some years ago to work some of the many mica deposits that exist between this port and Quilca has abandoned the lot, it seems.

The famous gold mine, Santa Domingo, belonging to an American firm, the Inca Mining Company, has stopped work, but intends to resume in about six months. The mine can be worked on a much larger and cheaper scale than formerly, as the company has set up a 500-horsepower electric plant, which is worked by water power, some little distance from the mine itself.

The Inca Rubber Company, another American enterprise, is obtaining from the Madre de Dios district a better quality than that formerly found in other districts thereabouts. In a former report it was stated that this company had brought over 100 laborers from Japan to work on its property. Having found this new labor a success, the company has brought over about 70 more Japanese.

SALAVERRY AGENCY.

By CONSULAR AGENT CECIL H. H. CALDICOTT.

The trade and prosperity of this coast district depend principally on the sugar industry. When there is plenty of water and the price of sugar is good, the local market improves, but as the last two years have been very erratic both in rainfall and in prices of sugar, even though the production of 1908 was greater than that of 1907, the local merchants have suffered severely and continue to suffer from the stagnation in business.

The exports of sugar from the ports of Salaverry and Huanchaco in 1908 amounted to 72,888 tons, against 52,817 tons in 1907, an increase of 20,071 tons. Of the exports in 1908, 45,196 tons were shipped from Salaverry and 27,692 tons from Huanchaco. Of the shipments from Salaverry, Chile took 53 per cent, Europe 28 per cent, the United States 14 per cent, and other countries 5 per cent. Of the shipments from Huanchaco, Chile took 62 per cent, Europe 35 per cent, and the United States 3 per cent. Nearly all the sugar for Chile is sent to the refineries at Vina del Mar and Penco; exports for Europe are sent to Liverpool, and for the United States to New York and San Francisco. There is a prospect that the output in 1909 will be greater than that in 1908.

COCA, HIDES, AND ALCOHOL—MINING INTERESTS.

Owing to the low price of cocaine and the greater demand for coca leaves in the foreign markets, 259 tons were exported in 1908, against 80 tons in 1907. There are two cocaine factories that work when leaves are cheap and the German market is good for exporting cocaine. The quality of leaves has shown a slight deterioration lately, probably owing to the fact that growers do not take sufficient care in cultivation, and replant the same ground too often.

There were 104 tons of dry hides exported in 1908, against 163 tons in 1907, the decrease being due to the demand for live cattle in the Lima market. Owing to the strict regulations with regard to disinfection of hides for the United States, all shipments were made to Hamburg and Havre, generally in a dry salted condition.

The exports of alcohol from Salaverry and Huanchaco amounted to 223,230 gallons in 1908, against 256,450 gallons in 1907, and were almost entirely for Bolivia, via Chilean ports.

Considerable interest has been taken in the mineral deposits of this district during the year. More activity has been shown in developing the mines, and in comparison with 1907 an increased tonnage of ore has been shipped. The ore has to be transported on donkeys very long distances over very bad trails to the coast for shipment, there being no smelter in the district. In 1908, 968 tons were exported, against 723 tons in 1907, an increase of 245 tons. The ore is principally copper with silver, and is shipped to the United States and Germany. Unless active steps are taken to open up the roads to the interior, there can not be much improvement in this industry, as under present conditions it is almost impossible to take up the machinery that is necessary for the development of the mines.

TRADE CONDITIONS—EXPORTS TO UNITED STATES.

There is at present a serious depression in local trade. All the small farm holdings are gradually being taken up by the large sugar estates, which import their goods direct, and the local merchant finds it harder to make a living. The estates are run as economically as possible on account of the low price of sugar. The customs receipts for 1908 amounted to \$171,554, against \$214,593 in 1907, a decrease of \$43,039. Merchants are hoping that the Government will interest itself in opening up roads and extending railways to the interior,

as the means of communication at present are very deficient. The prospects for 1909 are not good. There will probably be an increase in the exportation of sugar, but imports are expected to show a decrease.

The declared value of exports from the Salaverry agency to the United States in 1908 was \$435,364, the articles and values being: Coca, \$58,222; copper ore, \$17,982; lead and silver ore, \$1,584; silver and copper ore, \$4,338; silver and gold ore, \$4,421; silver sulphide, \$1,786; and sugar, \$347,031.

URUGUAY.

REVIEW OF TRADE CONDITIONS.

By CONSUL FREDERIC W. GODING, MONTEVIDEO.

The year 1908 was a memorable one for Uruguay, as practically every branch of trade and commerce had twelve months of unequalled prosperity. The balance sheets of the banking institutions showed enormous profits; the street cars carried 100 per cent more passengers than in 1907; and the custom-house receipts were larger and its warehouses filled with goods though they were removed as fast as possible. The railway excursions were more heavily patronized, and the freight cars and freight houses were taxed to the utmost with grain, corn, wheat, etc. The crops were greater and prices better than ever, and the cattle and sheep owners realized splendid profits. The building trades were equally active. During 1907 there were erected in this city 2,610 buildings valued at \$4,830,331, while in 1908 the number was 3,011 buildings with a value of \$5,810,563. The hotels during the season were full to overflowing. There were a number of failures in business, but these were confined to small concerns, and were due to the number of them, which was greater than the volume of business justified.

The two great evils that threatened the country, the locusts and the drought, failed to materialize, except in a few isolated districts.

POPULATION AND RESOURCES OF THE REPUBLIC.

The recent census gave the population of Uruguay as 1,039,078, which goes to show that the increase, especially from immigration, has not been large. A number of causes have produced this limitation. There is every prospect that with continued revenue surpluses the taxes will be reduced, which reduction has in fact already begun.

The present condition of Uruguay is not that of an industrial State, and while it produces foodstuffs and raw materials, mostly animal products, in great abundance, there are not available the fuels and minerals so necessary as a basis for the establishment of manufactories on a large scale. Rich in minerals and with unlimited water power, the country is awaiting capital for their development and railway facilities for reaching the markets. Dependence is placed on foreign countries for fuel, machinery, and a large number of primary and secondary materials needed in existing manufactories. Commercial coal has been discovered during the year, and iron ore is known to

exist in various localities, but until these are properly exploited Uruguay will not become a manufacturing State. These facts, together with the well-known habits and traditions of the people and immigrants, which are pastoral and agricultural rather than industrial, show that Uruguay will probably depend on foreign manufactured articles for many years.

What is needed to secure this trade is for American manufacturers to send trained men here to become acquainted with these people, learn their language, methods, customs, and wherein their ideas differ, then to be prepared to offer terms equal to those given by competing foreign firms and to carefully keep every agreement.

EUROPEAN EFFORT TO HOLD THE TRADE.

European business men are making every effort to hold the trade already secured, and are adopting measures to increase its volume. The Spanish and French merchants have each a well-organized chamber of commerce here, and the French Government has sent a commercial agent to tour the South American States in the interests of French commerce and industries. He has visited the several parts of the State in company with the Uruguayan foreign minister, and will make a detailed report to his Government on the possibilities for future trade.

The Uruguayan is a keen business man, fully alive to every opportunity and thoroughly well versed in every feature of trade. It behooves American exporters to carefully study the conditions in order to create that confidence so necessary to successful commercial operations, and without which every effort to build up a business here will fail.

INDUSTRIAL REGULATIONS AND LEGISLATION.

A law has been prepared regulating the labor of women and children in industrial establishments. The age limit for industrial employment is fixed at 13 years, but children who have passed their first-grade school course may begin work one year earlier, but in every case a child must have a certificate of physical capability issued by the labor office. Eight hours constitute a day's labor, and night work is forbidden to women and to children under 15 years of age. All those over 18 years of age who are employed in houses of charity or in the care of the sick are excepted. It is further stipulated that one day during each week must be allowed for rest. These regulations include stipulations dealing with lighting, hygiene, and the security of industrial establishments, and are accompanied by a scale of fines and penalties.

Legislation has been introduced to provide for an increased license fee for bars and a material reduction in their number, some recommending total prohibition. A new department regulation requires that all females under age arrested for any cause, instead of being taken to the police station as heretofore, are to be detained in the Buen Pastor Asylum. During the coming year a similar provision for the care of youthful males when arrested will be made, with the object in both cases of keeping them away from the dangers of prison associations.

During 1908, the first year of the operation of the divorce law of Uruguay, 327 suits were instituted before the courts, one-third of the cases being by mutual consent. Of the total 200 are before the Montevideo tribunals, but as yet no decisions have been handed down.

A law recently passed reduces the postage on newspapers and printed matter sent out of the country by one-half, or from 2 to 1 centesimo per 50 grams (11.2 ounces). It is expected that this will soon be followed by a similar reduction in the high rate of postage on letters.

Beginning with November 1, 1908, the banks, shipping houses, and many other business firms inaugurated the Saturday early closing plan, which promises to become general.

FINANCES—BANK PROFITS.

The fiscal year ended June 30, 1908, with a treasury surplus of \$2,193,083, as compared with a surplus of \$498,516 for the previous year (there was a deficit in every preceding year), due to the revenue of \$27,048,831, which is an increase of about \$6,000,000 over the revenue for the year ended June 30, 1907. Doubtless a great aid to this increase was the conversion loan issued in 1906, which supplied the Government with money for expenditures that otherwise would have had to be met from the revenues.

The expenditure for 1908 was about \$20 per capita. The satisfactory administration is largely responsible for the punctual payment of all public obligations; and while the expenditures were greater than ever during the past year, the promise of greater revenues was more than fulfilled. While the increase in expenditures in the preceding five years was 30 per cent, with no such corresponding increase in the population, yet it was demanded by the growth of public necessities and was not out of proportion with the growing revenues and increasing commercial activities. The profits realized by the Bank of the Republic for 1908 were \$1,054,899 as compared with \$753,003 in 1907 and \$463,907 in 1906; the profit in 1908 is about 16 per cent on the paid-up capital of \$6,721,000. Of this profit 10 per cent was added to the reserve fund and 10 per cent was used in paying off bonus shares. Of the balance, \$485,980 was applied toward paying off the 1896 loan, \$51,700 for the legislative palace, and the remaining portion was added to the paid-up capital of the bank. By the terms of its charter the bank may, for each additional \$103,400 added to its capital, increase its note issue by \$206,800 in large and \$51,700 in small notes.

The profits of the bank, in United States gold, each year since 1897 were as follows:

Year.	Profit.	Year.	Profit.
1897.....	\$209,935	1904.....	\$369,869
1898.....	179,198	1905.....	480,891
1899.....	233,781	1906.....	463,907
1900.....	284,046	1907.....	753,003
1901.....	282,362	1908.....	1,054,899
1902.....	378,647		
1903.....	393,379	Total.....	5,083,917

PUBLIC IMPROVEMENTS—FREE ZONE.

The projected free zone, when completed, will have a beneficial influence on commerce, if the plans are given effect on the lines recommended. This zone will open up a large transit trade with neighboring countries, cause the location here of a number of branch offices of the River Plate shipping houses, and do away with the present costly restrictions as to opening, parcelling out, and repacking of packages, etc. It is proposed to wall off a certain area of the southern promontory on which this city is built, within which all operations may be effected without intervention of any nature other than to charge for landing, wharfage, etc. The relations existing between many of the business houses of this city and those of Paraguay, Argentina, Chile, Rio Grande, and Corumba are such that the trade of Montevideo will be materially increased on the completion of this free zone. The establishment of provisional free depots has already been sanctioned, where inflammable, dangerous, or easily smuggled articles are excluded.

PORT AND OTHER WORKS.

The minister of public works has directed the engineer in charge to complete the plans necessary for the improvement of the port at Montevideo. These plans include projects for facilitating the general traffic; the establishment of a disinfection station for passengers and baggage; the erection of a large kiosk for the convenience of passengers landing; the prolongation northward of the western breakwater for 984 feet; the leveling and parapeting of the eastern breakwater; the building of a small breakwater west of mole A; and additional dredging in the anteport. A penalty of \$96.50 per diem is imposed for delay beyond the stated time for completing these improvements. In addition, cranes are to be erected and railway tracks are to be laid on the wharves. With the completion of the new port there will be no private wharves as now, the future service of loading and discharging vessels passing into the hands of government officials.

The Government has decided to develop the port of La Paloma, situated about 150 miles east of Montevideo, where harbor works are to be completed so as to make it a port of call and a coaling station for the largest ocean steamers. About \$1,000,000 on harbor improvements will also be expended at the port of Colonia, provided the proposed Pan-American railway from Pernambuco is completed.

In the transit-works fund, there remains unexpended over \$3,500,000, to which the chambers are asked to add \$5,170,000 for the completion of the works as planned, which are to be greatly extended. Also several new bridges are to be built, and the proposed canalization of the Rio Negro carried out. In addition \$517,000 was appropriated for sanitary works in the interior and other improvements, with \$20,680 bonus for the establishment of a sugar refinery at La Sierra. During the past two years the Government has opened over 200 schools in the rural districts, and everywhere it is showing an up-to-date policy in educational affairs.

The concessionaires of the main drainage system of Montevideo have proposed to the Government a plan for the municipalization of

the system which can be effected only by expropriation of the property by the city. For the continuation of municipal improvements \$103,400 was appropriated.

Important extensions involving an outlay of over \$50,000 are to be made in the building of the general post-office, including an additional story. Specifications are out for the erection of a residence for the port staff, installing a siren, and erecting a wireless telegraph station on Lobos Island. A proposal has been submitted, with every prospect of approval, to erect a light-house on the English Bank, so much dreaded by navigators and the cemetery of so many vessels.

FISHERIES—AGRICULTURE.

Experimental work having in view the development of the fishing industry in Uruguayan waters was actively carried on by Professor Bouyet, who has during the year been studying the possibilities of exploiting the aquatic fauna of the country, two national vessels being used to aid in the work. Among the species to be found here are oysters, crayfish, and nearly 150 other kinds of fish. It is the intention of the Government to utilize the knowledge gained from the researches in building up a great national industry.

An erroneous idea seems to prevail in the United States regarding the existence of large tracts of cheap farming land in Uruguay suitable for settlement and available for immigrants. No such tracts exist, as the land is all privately owned and held for high prices. The soil is very fertile, capable of growing any temperate or sub-tropical plant, but with the exception of the places owned by the landed proprietors few modern improvements are to be seen. There will be little change in the country districts until the large "estancias" are subdivided into small farms. When that has been done, a large number of progressive farmers will be attracted here who will develop Uruguay into a veritable garden.

The productions of Uruguay are live stock and their products, wheat, flour, corn, linseed, barley, hay, tobacco, feathers, soap, cheese, butter, vegetables, fish, preserved and natural fruits, sealskins, fox skins, hard-wood lumber, and several minerals and precious stones.

The year 1908 was a satisfactory one for the farmer and stock raiser. The wool clip was a record one, with good prices, and 954,120 cattle were slaughtered, the products from which have enriched the owners. In the more northern parts the live-stock trade was greatly stimulated by the cancellation of the duties on cattle, horses, mules, sheep, and goats by the Brazilian Government. As there is a growing demand for Uruguayan live stock in Brazil, the proximity of this market will greatly aid the growers in that section.

The statistics for all of Uruguay have not been published, but those for the port of Montevideo give the flour and cereals exported during the calendar year 1908 as follows: Flour, 7,937 tons; hay, 56 bales; flaxseed, 4,083 tons; bran, 64,254 bags; corn, 127 tons; barley, 98 tons and 1,254 bags; birdseed, 7 tons. Most of the corn went to Brazil. A few years ago cereals and flour were imported, but this country is gradually becoming an exporting nation.

The production of wine of the vintage of 1908, amounting to 4,904,231 gallons, shows that the native beverage is making inroads on the imported article.

A statement showing the fruits grown and marketed would be instructive, but no statistics are available. However, during the season every steamer leaving for Buenos Aires and ports of Brazil carried thousands of cases of fruit grown here. To these shipments must be added the tons supplied to the other steamship lines and the enormous quantities utilized by the people as food and preserves.

TOPOGRAPHICAL SURVEY—MINING AND MINERALS.

Work has begun on the first systematic topographical survey of Uruguay. The department of Durazno has been selected for the beginning of operations, which are divided into three sections, each in charge of a subcommission. The plan of the survey is to study the topographical details as to soils and vegetation and to investigate the present agricultural conditions, values, etc. The results will supply a more accurate knowledge of the geography of the country and will be utilized as a basis for regulating the taxes on property. Several years will be required for its completion.

There are a number of chilled-meat establishments in this Republic, all of which are reported as having had a successful year, and one of which showed a balance of over \$200,000, one-half of this being used in enlarging the plant.

Very few mines are in operation in Uruguay. Those producing gold, located in San Gregorio and Corrales, in the department of Rivera, produced in the last six months of 1908 of minerals 12,689 long tons, and of gold 1,868 ounces, the latter valued at \$26,438.

An English concern has secured four gold-bearing concessions, collectively called the Zapuca mines, and four others called Crupo Independencia, in the department of Cerro Largo. These are to be worked by four distinct companies, each to have a capital of \$2,433,250.

Many years it has been known that coal of an inferior quality exists in the Republic. Mineralogists have frequently stated that good coal existed, and eventually would be found, an opinion borne out by the discovery of commercial coal in the department of Cerro Largo during 1908. As soon as the limits of the field are settled a company is to be formed to work the seam on a large scale.

That petroleum is to be found in paying quantities is believed by many, and scientists have so earnestly declared it to be true that the question demands definite settlement by boring. Some energetic American should come here prepared to satisfy the public, especially as the policy of the Government is to assist all endeavors made to develop its mineral wealth by granting liberal subsidies and valuable concessions.

EXTENSION OF RAILWAYS.

The commercial expansion of Uruguay depends to a great extent upon the extension of its railways and the improvement of its harbors and rivers. Much has been and is being done in those directions. The policy of the present administration promises a still further advancement of the country's interests. Railway companies are guaranteed a reasonable interest on their investments, with a promise of fair dealing during labor disputes, a promise fulfilled during the railway strike early in the present year, when property was protected from violence. The several railway lines are in a prosperous condition,

which encourages the companies operating them to extend their lines into districts where they are much needed.

During the present year a through service from Montevideo to Porto Alegre and Rio Grande, via the Central, Midland, and Northwestern Railways of Uruguay, and the Rio Grande Railway of Brazil, was inaugurated, which the trade of the two countries demanded. This is the first step toward direct railway communication between Montevideo and Rio Janeiro, which will be completed within two years.

Arrangements have been completed between an American syndicate and the Government for building the Uruguayan portion of the Pan-American Railway from Colonia, directly across the river from Buenos Aires, to the Brazilian frontier. From there it is to proceed to Pernambuco, from which port fast steamers will ply to New York. Uruguay guarantees \$364,849 annually. As the road will pass through rich agricultural, pastoral, and mining districts, its value as a national common carrier will equal its international importance.

CENTRAL RAILWAY EQUIPMENT TO BE ENLARGED.

A number of important modifications were made in the extension plans of the Central Railway system. The branch from Nico Perez to Treinta y Tres and the extension from the latter place to the port of Chagread, on the Cebollate River, an important point for commercial traffic via Lake Merim, are being pushed forward, with every prospect of a speedy completion.

This line has three divisions. The main lines, including the leased northeastern line, which had an available balance of \$160,888 and from which a dividend of $4\frac{1}{2}$ per cent free of income tax was declared; the eastern extension, the net balance being \$85,366 and paying a dividend of $4\frac{1}{2}$ per cent; and the northern extension, with a balance of \$92,623, paying a $3\frac{1}{2}$ per cent dividend.

There was a decrease in profits due to a six weeks' strike, and an advance in the price of coal per ton of 49 cents. The excursion traffic, however, has been well maintained. The parcels and baggage receipts show an increase of 11.13 per cent, the freight traffic an increase of 4.15 per cent, with an increase of 3.25 per cent in the train mileage.

The season's wool clip has proved that the rolling equipment of the Central Railway will have to be expanded to cope with the growing necessities of the country, for it was unable to carry within a reasonable time the wool delivered to it. A new supply of cars is being provided for the coming season. The directors have decided to increase the capital by \$2,820,000.

ADDITIONAL IMPROVEMENTS—RECEIPTS AND EXPENDITURES.

An extension of the Midland Railway from Algorta to Fray Bentos, a distance of 78 miles, is in course of construction; when completed, in about two and one-half years, this will open a new route with through connections with the Northern and Northwestern railways from southern Brazil to Fray Bentos, an important deep-water port on the Uruguay River, where a pier to accommodate the largest ocean steamers is to be built.

The year 1908 was the most prosperous one for the Northwestern Railway since the road was opened for traffic. The company is negotiating with Brazil for an international bridge to cost \$329,000, which is to extend across the Cuareim River, a much-needed improvement.

No extensions are planned for the Northern Railway for the future, as this road is but a connecting link between two other lines—the Midland of Uruguay and the Great Southern of Brazil.

The East Coast Railway is in operation from Omos Junction to La Sierra, a distance of 31 miles, and is to extend from the latter town, via Pan de Azucar and San Carlos, to Maldonado, 38 miles. When completed, although short, this line will place the important port of Maldonado in direct railway communication with Montevideo. The extension will be ready for public service in July, 1909.

In the following statement are shown the leading railroads of Uruguay, the length of each in miles, its receipts and expenditures, and the number of live stock carried by each during 1908:

Railroad.	Length.	Receipts.	Expenditures.	Live stock carried.
	<i>Miles.</i>			<i>Number.</i>
Central.....	796	\$3,744,998	\$2,030,206	685,425
East Coast.....	31	65,109	46,741	8,240
Midland.....	197	347,216	300,608	168,531
Northern.....	73	103,783	89,634	2,348
Northwestern.....	113	254,943	202,744	54,765

The Tram Railway of the North is a short line owned jointly by the Uruguayan Government and private interests, and is used solely in conveying meat from Santa Lucia to Montevideo, a total distance of 21½ miles. It is a steam traction road from Santa Lucia to Bella Vista, a station near Montevideo, from there being a horse traction line. A portion of the road was rebuilt during the year, and a large bridge is to be erected over the Santa Lucia River near the city of that name.

The tramways of Montevideo formerly were horse traction. Two, the Comercial (British) and Transatlantica (German), during 1908 installed electric power plants, the Tram Railway of the North remaining the only horse traction line. The number of miles traveled in 1908 by the horse lines was 2,079,971 and the number of passengers carried was 7,355,922, against 13,276,253 in 1907. The number of miles traveled by the electric lines during the year was 15,831,877 and the passengers carried numbered 40,087,590, an increase of 18,042,888 over 1907.

STEAMSHIP COMMUNICATIONS.

No changes of importance were made in the steamship communications between Uruguay and other countries during 1908. The Kosmos Line has extended the route of its steamers from Montevideo directly to San Francisco. Heretofore the terminal port has been Valparaiso, where all freight and passengers were transhipped.

There are 38 steamship lines which make regular calls at this port direct or via Buenos Aires. Of this number 18 fly the British flag, 7 German, 3 French, 4 Italian, 2 Spanish, 1 Swedish, and 3 those of other countries.

There are plying between Montevideo and United States ports 7 freight and 2 passenger and freight lines. There is no question but that commercial intercourse with the United States has greatly increased, but the foreign lines have gained advantage in the carrying trade. A published statement of one of the lines shows a net profit of \$374,764, which sum, after allowing for depreciation, paid a 5 per cent dividend. If a foreign line plying between this country and the United States can be operated so successfully, there appears to be no reason why a line under a United States register could not be made to pay. If American trade with the River Plate is to be materially increased, it is essential that an American line carry the goods, and stop the high rates demanded by foreign companies so prejudicial to American commercial interests and so favorable to the interests of competitors.

NUMBER AND TONNAGE OF VESSELS.

The number and tonnage of vessels of each nation that entered and cleared at the port of Montevideo in 1908 are shown in the following table:

Nation.	Steamers.				Sailing vessels.			
	Entered.		Cleared.		Entered.		Cleared.	
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.
United States.....	7	7,304	9	9,960	8	4,866	12	7,780
Argentina.....	749	561,363	756	569,036	63	10,506	74	14,852
Austria-Hungary.....	29	67,833	26	62,336	.....	.....	2	1,443
Belgium.....	20	53,372	19	50,208	.....	.....	.....	.....
Brazil.....	136	91,403	139	83,618	1	261	.....	.....
Denmark.....	1	2,208	1	2,208	1	264	1	376
France.....	204	555,714	195	548,905	2	4,172	2	4,172
Germany.....	391	1,340,925	386	1,329,158	5	6,278	4	6,625
Greece.....	6	12,920	6	12,158	.....	.....	.....	.....
Italy.....	110	329,265	108	320,176	61	60,559	45	51,145
Netherlands.....	17	39,932	16	41,094	.....	.....	.....	.....
Norway.....	20	37,700	17	35,175	40	35,704	33	33,996
Panama.....	1	101	1	101	.....	.....	.....	.....
Paraguay.....	4	750	3	540	2	405	2	404
Russia.....	5	9,173	4	7,642	2	496	1	197
Spain.....	69	187,183	69	187,366	1	652	1	652
United Kingdom.....	1,183	3,393,912	1,163	3,284,141	22	20,543	30	28,209
All other countries...	112	162,730	96	98,306	51	4,229	88	10,307
Total.....	3,064	6,843,788	3,014	6,642,128	259	148,925	295	160,157

During the year there were 380 steamships of 243,871 tons entered at the interior ports of Uruguay, and 394 steamships of 260,864 tons cleared. The number of sailing vessels entering these ports was 1,076 of 39,227 tons, and the number cleared was 1,078 of 48,541 tons.

FOREIGN TRADE.

The total foreign trade of Uruguay in 1908 was valued at \$74,343,904, United States currency, of which \$35,795,843 was the value of

imports and \$38,548,061 that of the exports. This was an increase of \$3,302,393 in imports and \$2,201,927 in exports over 1907.

The imports into and the exports from Uruguay during each of the past six years were as follows:

Year.	Imports.	Exports.	Year.	Imports.	Exports.
1903.....	\$25,957,536	\$38,639,546	1906.....	\$35,626,470	\$34,537,668
1904.....	21,938,378	39,793,490	1907.....	32,493,450	36,346,134
1905.....	31,824,452	31,852,370	1908.....	35,795,843	38,548,061

The principal articles exported from Uruguay in 1908, in quantities, the values not being obtainable, are shown in the following statement:

Articles.	Quantity.	Articles.	Quantity.
Animals:		Oils.....	casks..... 370
Cattle.....	number.. 288	Oil cake.....	number.. 4,622
Mules.....	do..... 304	Onions.....	tons..... 400
Sheep.....	do..... 23,317	Preserves.....	boxes.. 22
Other.....	do..... 80	Provisions:	
Bones.....	tons.. 4,723	Beef.....	bales.. 510,760
Bones.....	bags.. 98,799	Beef.....	quarters.. 94,028
Brass.....	boxes.. 15	Blood, dried.....	bags.. 10,045
Breadstuffs:		Butter.....	boxes.. 950
Barley.....	bags.. 1,254	Hams.....	pounds.. 531
Bran.....	do..... 64,254	Meat, preserved.....	boxes.. 6,301
Bran.....	tons.. 1,380	Meat, extract.....	do..... 5,700
Corn.....	do..... 127	Mutton.....	bags.. 128
Flour.....	do..... 7,937	Mutton.....	carcasses.. 122,132
Feathers, ostrich.....	boxes.. 221	Mutton.....	quarters.. 1,408
Fruit.....	bundles.. 1,159	Tallow.....	hogsheads.. 15,224
Grease.....	casks.. 133	Tallow.....	pipes and bags.. 15,939
Greaves.....	bundles.. 1,196	Tongues.....	boxes.. 10,065
Guano.....	bales.. 5,117	Tripe, dried.....	bales.. 1,124
Hair.....	do..... 77,725	Rubber.....	bundles.. 60
Hides.....	number.. 1,659,679	Salt.....	bushels.. 2,782
Horns.....	bags.. 2,824	Skins.....	bales.. 24,270
Horns.....	tons.. 879	Soap.....	boxes.. 1,000
Horns.....	number.. 432,479	Straw.....	bales.. 30
Linseed.....	tons.. 4,063	Tobacco.....	do..... 124
Nuts.....	bags.. 5,368	Wool.....	do..... 94,028

The declared value of exports to the United States in 1908 was \$4,043,507. The articles were as follows:

Articles.	Value.	Articles.	Value.
Bones.....	\$62,751	Quebracho extract.....	\$13,990
Beef, dried.....	137,777	Rubber.....	3,593
Feathers.....	24,032	Sinews and pizzles.....	8,781
Glue stock.....	6,600	Wool.....	553,399
Hair.....	553,399	All other articles.....	724
Hides.....	2,674,172	Total.....	4,043,507
Onions and garlic.....	4,280		

CHARACTER OF IMPORTS.

According to the United States Bureau of Statistics figures, the imports into Uruguay from the United States during 1908 were valued at \$3,134,694 against \$3,971,001 in 1907.

The character of the imports into Uruguay is shown by the following table prepared from a current publication, showing the imports, by principal articles, during 1907. It will be noted that the total imports do not agree with official figures given elsewhere.

Articles.	Value.	Articles.	Value.
Animals	\$779,516	Textiles:	
Chemicals	1,217,958	Cotton	\$4,709,863
Colors and dyes	330,979	Linen	233,787
Foodstuffs	5,089,621	Silk	539,231
Iron, manufactures of	4,142,178	Woolen	1,943,713
Leather	267,666	Other	987,470
Metals, manufactures of	586,142	Tobacco	720,571
Oils:		Wood, and manufactures of	2,108,093
Edible	663,172	All other articles	2,554,844
Other	870,059		
Paper and cardboard	750,449	Total	34,044,870
Spirits, wines, etc.:		Articles for national enterprises	4,999,849
Wine	1,767,648		
Other	401,618	Grand total	38,744,719
Stoneware, glassware, etc.	3,380,292		

In 1907, material for the construction of railways and tramways to the value of \$3,302,596 was imported, while other material for special enterprises and factories was received to the value of \$1,339,653. Machines valued at \$876,418, to be used in the manufacture of various products, were purchased. In one woolen factory 600 men are employed who received in wages, during the year 1908, \$269,874. It operated 140 looms, and utilized 2,046,000 pounds of wool, which cost \$310,000.

EXTRACTS FROM MESSAGE OF PRESIDENT WILLIMAN.

President Claudio Williman, in his annual message, laid before the General Assembly the following interesting facts:

Thirteen new post-office branches, 53 agencies, and 3 telegraph offices have been established, mainly in the interior. There is now a total of 1,025 post and telegraph offices. The staff has been increased and various steps have been taken to improve the service. The movement of correspondence during the year was 108,113,772 pieces, an increase of 11,667,055 over 1907. The telegrams transmitted numbered 283,528, an increase of 35,375. The post-office revenue was \$595,391, an increase of \$17,298, and \$40,000 more than was estimated in the budget. Various reforms and extensions are in progress or about to be undertaken shortly.

The Government has approved in principle the establishment of a national telephone service in the capital, and brought an English engineer to Montevideo to draw up the plans. The Chambers will shortly be asked to give their sanction to the scheme.

A plan is being prepared for the establishment of wireless telegraph stations in the Republic, and in addition to this the Government has given facilities for the erection at Punta del Este of an extra-powerful station of the Marconi Company, destined eventually for interoceanic communications, so that this will be the first country in South America to be in wireless communication with Europe.

During 1908, 1,510 head of cattle for breeding purposes arrived in Montevideo from England, France, Switzerland, North America, Germany, New Zealand, Spain, Argentina, and Uruguay, all in sound health. The importation through the ports of Santa Rosa, Salto, Paysandu, Fray Bentos, Mercedes, and Colonia reached 16,123 head. The tuberculinization carried out at the appointed stations resulted in the rejection of 2.63 per cent of the animals from Argentina, and 1.16 per cent of those from other parts.

During the year the cattle in the Republic have remained free from exotic epizootic disease. As in 1907, the principal causes of mortality by infectious disease have been Texas fever or "Tristeza," transmitted by tick, and carbunculous fever. In

cases of carbuncle, preventive measures, including Pasteurian vaccination, have been applied, generally with success.

The act of August last assigned \$40,000 for the support of live-stock exhibitions, of which some \$25,000 has already been so expended. The Executive proposes to frame general regulations for this class of exhibitions, with the object of assisting the diversification of cattle, and of placing some rewards within the reach of the small breeder, who can not aspire to the prizes at present mainly awarded to breeders of costly animals.

The labor office is engaged in useful tasks. There have been inspected 399 workmen's dwellings, containing 6,727 rooms, occupied by 19,763 persons, and bringing a total rent of \$30,169. Statistics collected of labor accidents show that they are excessively frequent in proportion to the amount of industry. In Montevideo, in the six months July to December, there were 872 such accidents, but only 64 in the interior.

It is proposed to build new barracks at the various military stations, and to purchase sites for firing ranges. It is also proposed further to develop the navy.

AGRICULTURAL RESOURCES.

By VICE-CONSUL CHARLES LYON CHANDLER, MONTEVIDEO.

Uruguay is a vast, fertile, undulating plain, broken here and there by irregular ridges of little rolling hills, none over 2,000 feet high, which rise gradually from the fertile valleys. There is generally a muddy stream running through the main valley, lined with willows or similar trees, a stream swollen in flood time, but always with water enough for the live stock grazing near.

The grass remains green and succulent the year round. This freshness is due largely to the fertilizing and cooling nature of the basic soil, the rich pampa mud, which contains calcareous and silicious matter. The departments of Soriano, Paysander, Tacuarembó, and Duranzo are particularly favored with fine grass. The soil shows its worth by supporting a very large and indigenous native flora, some of the trees and shrubs growing twice and even three times as fast as they do in Europe. Nearly all introduced vegetation, when properly cared for, not only acclimates but propagates well, and should cork and camphor trees ever be scientifically cultivated in Uruguay, whose soil and climatic conditions would seem to be well adapted to their successful culture, they will in all probability be a great and constant source of future national wealth.

AGRICULTURAL AND PASTORAL INDUSTRIES.

Only 2.4 per cent of the total area of Uruguay is under cultivation, the remainder, save for a very small sterile area, 0.6 per cent of the total, being wholly devoted to pastoral pursuits. This small amount of cultivated land is practically all in the older and more densely populated departments of the Republic, Canelones, Colonia, and San José containing 57 per cent of the total area under cultivation. In Florida, Minas, Soriano, and Maldonado, departments bounding those mentioned on the north and east, between 3 and 4 per cent of the total area is cultivated, and in the eleven remaining departments there is, properly speaking, no land under cultivation, excepting in that of Montevideo, which is practically made up in the capital city of that name and its suburbs, and where the cultivation is so small and so intensive as to partake of the nature of market gardening for the city.

The acreage under cultivation and yield of crops for the season of 1905-6 (no later figures are available, and there is no reason to believe

that the relative proportions shown in these have greatly changed) were as follows:

Crop.	Acres.	Bushels.	Crop.	Acres.	Bushels.
Wheat.....	713,804	4,606,392	Oats.....	37,000	37,000
Corn.....	410,068	3,011,726	Barley.....	2,899	38,000
Flax.....	45,658	11,882			
Birdseed.....	8,200	1,900	Total.....	1,217,629	7,704,900

Of the total area of Uruguay 97 per cent is devoted to pastoral pursuits, or, in other words, the raising of various kinds of live stock. In 1900, when the last agricultural census was taken, there were 26,134,896 head of live stock in Uruguay, comprising 6,827,428 cattle, 18,608,717 sheep, 561,408 horses, 22,992 mules, 93,923 pigs, and 20,428 goats. The departments of Artigas and Rio Negro contained the greatest number of cattle per inhabitant, the department of Flores the greatest number of sheep, and the departments of Artigas and Rocha the greatest number of horses. Deducting the 3 per cent of the total area of Uruguay that is under cultivation or barren, this works out at 1.4 animals per 2.47 acres, a small proportion when it is considered that 18,000,000 of these are sheep and breeding animals. With the gradual improvement of the grade of Uruguayan live stock and the gradual extension of the area under cultivation, there will, as time goes on, be less and less land for pasturage, and more and more of such land as may be left available will be used for high-class live stock exclusively.

GOVERNMENT EFFORTS TO ADVANCE AGRICULTURE.

The average Uruguayan country estate (estancia) comprises 1,563 acres, and individual estates of 25,000 to 37,000 acres are by no means uncommon. The entire 69,840 square miles of rural Uruguay are owned by 22,674 persons. There are practically no small holdings of land in Uruguay. The subdivision of these large tracts of land, now in the hands of but few people, is being accomplished only very gradually, though the Uruguayan Government is endeavoring to remedy this very vital and important economic question by subdividing some of the large estates by legislative action, the first step projected being the planting of colonies, to be composed of European immigrants, in various fertile sections of the country. These official endeavors naturally meet with opposition and the situation is complicated by the projected establishment of new canning and packing establishments, which may tend to preserve the large estates by creating a greater demand for live stock.

Thus far the gradual monopolization of the land of Uruguay has entailed the inevitable economic results, the concentration of wealth in the hands of a comparatively small number of people, the discouraging of immigration, and the encouraging of emigration of the rising generation to countries such as Argentina, where land may be had on easy terms, and the promoting of a disproportion between rural and urban population. The capital, Montevideo, already has nearly a third of the total population of the country.

EXPORTS OF ANIMALS AND ANIMAL PRODUCTS.

Of Uruguay's annual exports, 94 per cent consists of live stock and live-stock products, the latter comprising hides, jerked beef (*tasajo*), frozen meat, meat extract, tallow, and other by-products. No cattle are as yet bred for export, except a very few to be sent across the northern frontier into Brazil, and none is as yet raised exclusively for dairy purposes, although the exportation of dairy products to Europe is contemplated. Most of the 950 boxes of butter exported during the past year went to Buenos Aires. If butter can be profitably transported by the nearly all-rail route from Central Siberia to the London market, it should be worth while to send it by the no longer all-water route from Uruguay to London.

The preparation and sale of *tasajo* is the largest and most valuable Uruguayan industry, but the breeds of cattle in Uruguay can only be slowly and gradually improved while this industry continues of importance, because cattle have to be sold cheaply to make *tasajo* profitable.

The first establishment for producing chilled meat was started near Montevideo in 1907 with Uruguayan capital and a Scotch manager, and it has been extremely successful. Every modern improvement has been installed, and its products find a ready market, chiefly in England. The Uruguayan business men are beginning to realize that New Zealand frozen meat is being carried past their doors, as it were, to England, while they could produce similar meat and ship it to one of the world's greatest meat markets in half the time it takes to bring it from New Zealand.

There are as yet no pork-packing establishments in Uruguay, the pork produced being used for local consumption. A few live swine are exported to the State of Rio Grande do Sul, Brazil.

POULTRY AND THE NATIVE OSTRICH.

The sunny climate of Uruguay singularly favors the raising of all varieties of poultry. Many Plymouth Rock fowls have been imported from the United States, and their descendants compare favorably with those of the same breed in the country of their origin. Argentina receives more eggs from Uruguay annually than from any other foreign country, 302,781 dozen having been exported thither in 1908. No eggs are as yet exported to Europe, though this is talked of and may be done in the near future.

The native ostrich, called locally the *nandú* (the Guaraní word for ostrich) is the only indigenous Uruguayan bird of any real commercial value, its feathers partly being exported to London and Paris, and partly being made into feather dusters and other similar articles for local consumption. Very good ostrich feathers bring about \$2.35 per pound, and ordinary ones about \$2. The Uruguayan ostrich is smaller than the five-toed South African bird. It is different also in having only three toes, and its feathers are not so valuable, but the introduction of the South African ostrich has not proved an economic success.

FRUITS AND VEGETABLES.

There are no extremes of climate in Uruguay, and almost every kind of temperate or subtropical vegetable, fruit, grain, and tree

does well. Vegetables, potatoes, beans, peas, onions, squashes, turnips, beets, and sugar beets grow well, and many fruit trees, such as apple, pear, tangerine orange, lemon, grape, cherry, fig, peach, apricot, quince, and olive flourish throughout the country. The medicinal plants comprise the poppy, gentian, wormwood, balsam, camomile, coriander, licorice, rosemary, marshmallow, sarsaparilla, and elder. The grape does extremely well. A red wine, like the French Medoc, is produced, but not enough of it is made to satisfy the local demand. Foreign wines hold the Uruguayan market firmly, and probably will continue to do so for several years to come. With the extension of more scientifically intensive culture there is a great future for the vegetable and fruit products of Uruguay, especially if, by the use of cold storage, they can secure enlarged markets in Rio de Janeiro and Europe. At present their only foreign market is Argentina.

A little tobacco is grown near the Brazilian border, but is used chiefly for sheep wash. Cigars and cigarettes are imported.

The extremely rapid and satisfactory growth of the mulberry in Uruguay appears to show that silk culture, which has already been tried on a small scale, could be successfully developed under more favorable labor conditions.

GOVERNMENT AGRICULTURAL SCHOOL.

Great and increased attention has been bestowed recently by the Uruguayan Government on the betterment of the various sources of national wealth. Battle y Ordóñez, then President, established the Agronomical Institute of the University of Montevideo on September 15, 1906. This institute, which is a school of the university, will be moved in 1909 to a large new building being erected on a 175-acre tract of land adjoining its present location. This building will cost \$150,000 gold, and is an imposing three-story structure, well adapted for educational purposes. The agricultural museum, as well as the chemical, horticultural, mechanical, and scientific laboratories, will be placed in this building, which will also contain the institute's small but growing library, wherein American scientific journals occupy a conspicuous place. All the class-room instruction will be given in this building, three years' study being required to complete the course. It is also planned to carry on extensive laboratory and research work in the three departments of the institute—agriculture, horticulture, and silviculture.

In the adjacent grounds are to be established a small park for teaching floriculture and arboriculture, a small botanical garden for study and research in botany, an agricultural experiment station, cages in which insects injurious to vegetation are to be kept and studied, as well as an aviary where the habits of insect-destroying birds may be observed, a pond for the study of pisciculture, and beehives for the pursuit of the study of apiculture. The paths and walks are to be lined with domestic and foreign fruit and shade trees.

A tract of land some 32 acres in extent is to be used for a model farm, where suitable buildings are in course of erection for the care and study of cattle, horses, sheep, pigs, and poultry. New and improved farming machinery is also kept here and its uses explained to the students. Most of this machinery is of German make, though

there are two American reapers. The science of landscape gardening, which comes naturally to the artistic nature of the Uruguayan, is also to be taught. All the teachers in the institute are Germans, except one Frenchman and one Belgian. The number of students is rapidly increasing, every department of Uruguay being represented, and many owners of great estates are sending their sons to receive a scientific training in this important branch of the university. The institute publishes from two to four times a year a review containing many valuable and instructive articles on Uruguayan agronomic topics by the staff of the university.

PRIVATE ASSOCIATIONS.

The Rural Association of Uruguay was founded in 1871 by several Uruguayans interested in pastoral pursuits to encourage the development of rural industries, and it has since then steadily developed in its chosen field of constructive usefulness, proving a most useful body in increasing the output of the greatest sources of the national wealth. Great interest is taken in it, and nearly all prominent owners of country estates belong to it. It is supported by the private subscription of the members, but is subventioned by the Government in that it receives \$10,000 annually for its live-stock exhibit and fair, held in Montevideo every September. The association has a large building in Montevideo where meetings are held. It has founded at various times the rural associations which exist in the capitals of all the Uruguayan departments. These local associations were formerly connected with the parent body, but are now independent, and each holds a rural fair and sale of live stock annually, that at Salto having done the most business in each of the last two years (1907 and 1908), with Paysandu and Minas following as close seconds. American agricultural machinery has been displayed at these fairs with good results.

There is a great market in Uruguay for all kinds of agricultural machinery and implements, such as reapers, binders, windmills, hoes, rakes, shovels, and other tools. These things can not be sold by sending catalogues and pictures. Bright, alert, Spanish-speaking salesmen must show Spanish-printed catalogues, or, better still, the model of the tool itself, and show the people how it will work, and then the practical Uruguayans will be convinced that the article is worth buying. There is a great future for the sale of agricultural implements in Uruguay, but there will not be any future for American trade unless the requirements mentioned are strictly complied with, and unless the intended purchaser is made to see by actual proof that American farm implements are the best in the world.

VENEZUELA.

REVIEW OF TRADE CONDITIONS.

By CONSUL ISAAC A. MANNING, LA GUAIRA.

After several years of commercial stagnation, resulting from a combination of so many causes that it is difficult to set forth any one in particular, a spirit of hopefulness seems to have entered the business world here; but while that spirit exists, the transformation from

commercial inactivity to immediate prosperity has not been realized. Exports slightly increased during the first half of the year, and there has been apparent a willingness on the part of importers to add to their stocks.

Industrial conditions have shown but little change so far, except in the matter of direction and ownership. The few manufacturing institutions of the country are generally in operation, one of the principal exceptions being the flour milling plant at this port. Some railway extension is underway, especially on the Central Railway leading from Caracas toward the south.

NEW ENTERPRISES OPENED.

The New York and Bermudez Asphalt Company expects to be shipping its product soon, and this work will give employment to a large number of laborers in the district where its deposits are located.

The Venezuelan Congress has recently approved the contract for the establishment at Puerto Cabello of a meat-packing plant, which, it is understood, is backed by an English concern that has large abattoirs and packing houses in Argentina. Should this company work on the scale proposed, it would give a considerable impetus to the cattle industry of this country, which has been permitted to lag considerably during the past three years through lack of an export market.

The establishment of steamboat lines on the Orinoco River and its tributaries is already reported as bringing results, although the service is yet in its infancy. With a settlement of the questions arising from the various concessions and privileges granted there from time to time, and now apparently in a fair way of arrangement, the country in the regions about Ciudad Bolivar and on the Orinoco River will feel the effects of development.

New steamboat routes on Maracaibo Lake and the navigable rivers emptying therein will also make possible the exportation of products of a great deal of country where transportation has heretofore been difficult.

Of course all the development of Venezuela in the future depends on continued settled conditions and on the confidence of the people, and of capital especially, in the stability of those conditions.

IMPORTS INTO VENEZUELA.

The value of the imports into Venezuela in 1908, by articles, is shown in the following table:

Articles.	Value.	Articles.	Value.
Animals, live.....	\$3,799	Breadstuffs:	
Beverages:		Barley.....	\$25,553
Beer.....	36,998	Biscuits.....	20,322
Liquors.....	92,716	Flour.....	310,355
Mineral waters.....	6,041	Oats.....	2,564
Wines.....	177,537	Wheat.....	277,418
Boats, and accessories.....	3,684	Brushes.....	6,297
Books and pamphlets.....	33,464	Buttons.....	35,343
Bottles and demijohns.....	21,181	Candles.....	15,000

Articles.	Value.	Articles.	Value.
Carbide	\$13,972	Oils—Continued.	
Cement	57,504	Linseed	\$9,918
Chemicals	30,685	Olive	111,033
Clocks and watches	4,330	All other	2,756
Coal	63,286	Olives	5,927
Combs	20,824	Paints and colors	21,331
Copper, and manufactures of	15,668	Paper and cardboard	120,586
Cork	17,997	Perfumery	78,134
Drugs and medicines	116,698	Pictures	4,136
Earthenware	53,951	Provisions:	
Electrical apparatus	9,365	Canned goods and preserves	575,349
Fans	4,573	Cheese	27,411
Firecrackers	3,118	Hams	35,647
Flowers, artificial, and fancy goods	20,002	Stearin	197,557
Glassware	44,245	Ribbons, cotton and silk	56,804
Grease	63,794	Rice	238,183
Gunpowder	3,685	Reed ware	4,376
Guns and revolvers	19,187	Rope	58,792
Hat makers' supplies	26,964	Rosin	28,361
Hats, felt and straw	81,576	Rubber, manufactures of	5,306
Ink	6,251	Seeds, anise and canary	5,541
Iron and steel, and manufactures of:		Shot	6,675
Galvanized iron	9,734	Silverware	10,420
Ironware	104,294	Soda	29,924
Knives and forks	32,325	Spices	27,537
Machinery—		Stationery	15,221
Agricultural	159,441	Strings, violin	11,161
Mills, sugar, and other	10,105	Sugar	3,095
Printing	13,560	Syringes	5,378
Pumps, hydraulic	5,267	Tarpaulins	6,509
Weaving	16,480	Telephone supplies	7,297
All other	120,827	Textiles:	
Motors, and accessories	17,540	Cotton goods	4,267,443
Nails	30,347	Felt	8,127
Needles and pins	5,397	Linen goods	211,806
Railway supplies	22,479	Shawls and wraps	9,150
Scales	5,480	Silk goods	49,833
Steel	6,727	Underwear	278,078
Tools	40,510	Webbing, elastic	10,399
Wire	12,977	Woolen goods	195,969
Wire fencing	63,241	Thread and twine	239,632
All other	2,007	Tinware	19,449
Jewelry	11,255	Tobacco	25,982
Lamps and lanterns	12,061	Toys	20,824
Lead	3,766	Turpentine	4,812
Leather	121,535	Vehicles, carriages, bicycles, etc.	15,332
Matches	51,914	Wicking	8,853
Marble, worked, and statuary	6,655	Wood, manufactures of	49,189
Mirrors	6,224	All other articles	78,174
Musical instruments	6,123		
Oakum	4,513		
Oils:		Total	10,014,167
Cotton-seed	16,183	Gold coin	144,403
Engine	8,207		
Kerosene	138,510	Grand total	10,158,570

Many of the most important articles imported into Venezuela and of which Americans are great manufacturers are bought and imported largely from Europe, and American exports of these lines are very far behind what they should be. This is true especially as to barley, beer, buttons, empty bottles, cotton goods, manufactured copper, cement, cheese, earthenware, fancy goods, glassware, felt hats, straw hats, ironware, liquors, lamps and lanterns, agricultural implements (including machetes), iron nails, olive oil, perfumes and soaps, talcum powder, wrapping paper, stearin, wines, woolen goods, weaving machines, etc.

CHARACTER OF THE EXPORTS.

The principal articles exported from Venezuela during 1908 and their values are shown in the following table:

Articles.	Value.	Articles.	Value.
Alpargatas (grass slippers).....	\$10,400	Hides.....	\$702,702
Animals, live:		Horns.....	7,831
Cattle.....	297,367	Jewelry.....	5,260
Horses and mules.....	12,321	Leather, sole.....	36,168
All other.....	6,695	Oils, copaiba, etc.....	8,662
Asphalt.....	195,930	Pearls.....	45,545
Barley (cebadilla).....	12,892	Plants.....	4,203
Beans, tonka.....	20,161	Rubber.....	1,488,445
Cinchona bark.....	11,211	Skins:	
Cocoa, or cacao.....	3,749,703	Deer.....	67,044
Cocanuts.....	11,016	Goat.....	287,248
Coffee.....	7,206,582	All other.....	550
Copaiba, balsam.....	40,615	Slag, mineral.....	12,063
Copper ore.....	11,396	Starch.....	9,820
Corn.....	5,872	Sugar.....	22,214
Cotton.....	40,371	Tobacco, leaves.....	61,904
Cotton seed.....	11,210	Vegetable products.....	22,200
Divi-divi.....	133,768	Wood:	
Feathers:		Bramble.....	1,628
Heron.....	193,843	Cedar.....	1,960
All other.....	7,879	Ebony.....	6,479
Fibers, couciza and henequen.....	2,255	Gualacum.....	4,336
Fish maws.....	12,480	Mahogany.....	1,301
Gold:		Zapatero.....	33,238
Amalgamated.....	638	All other.....	1,454
Bullion.....	82,525	All other articles.....	428,517
Coin.....	38,582		
Smelted.....	133,223	Total.....	15,521,938
Gold and silver (old).....	12,281		

The amount of Venezuelan products taken during 1908 by each of the various countries is shown in the following table:

Exported to—	Value.	Exported to—	Value.
United States.....	\$6,843,423	Italy.....	\$115,605
Austria.....	408,610	Netherlands and colonies.....	399,214
Belgium.....	6,372	Panama.....	8,605
Brazil.....	8,200	Porto Rico.....	1,539
Colombia.....	26,994	Spain.....	657,770
Costa Rica.....	37,500	United Kingdom.....	1,230,755
Cuba.....	150,865		
France.....	4,832,504	Total.....	15,521,938
Germany.....	793,982		

The value of the articles declared for export to the United States during 1907 and 1908 at the consulate in La Guaira is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Balata (rubber).....	\$7,894	\$12,026	Orange juice.....		\$135
Bran.....	5,180		Orchids.....	\$534	
Chocolate.....	2,397	1,157	Skins.....	21,367	20,971
Cocoa.....	399,607	223,196	Tonka beans.....		3,742
Coffee.....	1,986	49,287	All other articles.....	32	251
Copaiba, balsam.....		398			
Extracts, flower.....		142	Total.....	512,486	445,821
Gold.....		1,533	Returned American goods.....	2,587	349
Hides.....	73,489	132,577			
Household effects.....		251	Grand total.....	515,073	446,170
Oil, coconut.....		153			

CONSULAR AGENCIES.

Mr. Ignacio H. Baiz, consular agent at Barcelona, reports that the declared value of exports from that agency to the United States during 1908 was \$11,755, against \$40,490 in 1907. The articles in 1908 were: Copper, \$87; hides, \$8,285; deerskins and goatskins, \$3,322; and other articles, \$61. The principal articles in 1907 were: Hides, \$28,812; skins, \$9,635; and wood, \$1,070.

Consular Agent John Brewer, of Caracas, gives the declared exports of goods from that place to the United States during 1907 and 1908, respectively, as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bones.....	\$1,028	\$155	Household goods.....	\$560	\$1,500
Books (old).....	510	.....	Oils, vegetable.....	.....	333
Chocolate.....	.....	524	Plants, orchids.....	543	24
Cocoa.....	55,997	36,028	Skins.....	19,589	16,849
Coffee.....	547,403	304,527	Sweets, assorted.....	19	.....
Copper.....	6,089	1,551	Total.....	719,446	392,581
Hides.....	87,708	31,090			

The declared value of the exports from the consular agency of Carupano to the United States during 1908 is reported by Consular Agent José Blasini to have been \$60,588, against \$73,244 in 1907. The articles in 1908 were: Rubber, \$141; cocoa, \$58,192; copaiba balsam, \$115; fish glue, \$23; hides and skins, \$2,117. The principal articles in 1907 were rubber valued at \$2,935, and cocoa, \$69,046. Consular Agent Robert Henderson, of Ciudad Bolívar, reports the declared value of exports from that port during 1907 and 1908, respectively, to have been as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cocoa.....	\$1,293	\$16,063	Plants.....	\$1,819	.....
Copaiba balsam.....	10,370	10,417	Rubber.....	.....	.....
Feathers.....	588	4,656	Balata.....	90,632	\$176,599
Gold.....	25,816	29,819	Ceaura.....	.....	20,997
Hides and skins:			India.....	163,741	179,558
Calfskins.....	4,579	5,615	Tonka beans.....	449	23,595
Deerskins.....	25,926	27,031	All other articles.....	617	447
Goatskins.....	1,001	1,439	Total.....	727,500	881,771
Hogskins.....	1,205	.....		
Ox hides.....	399,464	365,266			

SHIPPING STATISTICS.

During 1908, 645 ships with foreign cargo entered the various ports of Venezuela, their tonnage aggregating 937,680. The number of vessels entering La Guaira was 127. They brought cargo aggregating in weight 28,209,233 kilos (kilo = 2.2 lbs.). In 1907, 233 vessels entered the same port, bearing 48,401,013 kilos of cargo; and in 1906 there were 235 entries with 45,937,967 kilos of cargo. Of the vessels calling at La Guaira in 1908, 30 were British with 4,684,158 kilos of cargo, 29 American with 8,493,984 kilos, 15 Dutch with 1,254,732 kilos, 13 Norwegian with 4,371,940 kilos, 11 German with 1,655,960 kilos, and 4 Russian with 2,506,541 kilos.

MARACAIBO.

By CONSUL EUGENE H. PLUMACHER.

Former reports have mentioned that details of a reliable nature concerning the foreign trade of this consular district are only obtainable as regards exports.

Venezuela is rich in natural resources, but capital is needed to develop them. It is hoped that this will be forthcoming when certain diplomatic differences have been settled in accordance with preliminary arrangements which have been made therefor. When this has been done Venezuela will become a good field for commercial undertakings.

During 1908 the goods declared for export to the United States from this consular district amounted in value to \$5,278,242, as compared with \$4,791,798 in 1907, a gain of \$486,444. The details are shown for the two years in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Asphalt.....		\$154	Plants (orchids).....	\$963	\$728
Cocoa.....	\$65,086	87,214	Rubber.....	10,220	4,561
Codfish.....	1,879	575	Sugar.....	15,305	5,543
Coffee.....	4,436,834	4,877,722	Woods:		
Copalba.....	53,357	28,732	Boxwood.....	7,143	3,294
Copper, old.....	5,210	993	Cedar.....	2,692	1,783
Div-divi.....		2,273	Cocobolo.....		168
Fibers (cogollo and hemp)		230	Ebony.....	1,206	282
Fish sounds.....	15,292	14,801	Fustic.....	23,165	
Gold coin.....		4,121	Mahogany.....		1,001
Hides and skins:			Vera.....		273
Alligator skins.....		75	Other.....	4,109	1,504
Calfskins.....	114	987	Wool.....	2,927	1,237
Deerskins.....	3,567	5,145	All other articles.....	4,461	1,284
Goatskins.....	76,102	94,790			
Hides.....	53,046	136,025	Total.....	4,791,798	5,278,242
Mangrove bark.....	9,120	2,747			

AGRICULTURAL PRODUCTS.

Coffee constitutes the largest item of export, and it was also the item on which the main part of the total increase in declared exports for the year was made. As communication with the Republic of Colombia has been reopened by way of the rivers Villamizar and Catatumbo to Cucuta, large quantities of coffee will come by this route down to Maracaibo. The crop in the Cordilleras is very promising, and the prosperity of the industry is now dependent only on good prices for coffee abroad.

The 1908 crop of cocoa and the prices for this article were both better than in the preceding year. Also more cocoa was sent to European markets. The cocoa of this State is celebrated and is much liked on the Pacific coast.

Sugar, cotton, wool, and sisal or henequen are among the important or promising agricultural products. Exports of sugar have, however, declined although there are rich sugar fields in the State of Zulia and good opportunities for the investment of capital. Cotton is not extensively grown in this district, but is certain to have a great future here as well as in Venezuela generally. Land and labor are cheap, the climate is favorable for cotton growing, and the product is fine in quality. In 1907 samples to the value of \$327 were sent to the United States, but in 1908 none, the product finding a better market in Europe. The wool product formerly went almost wholly to

Europe, but in recent years more has been taken by the United States.

Of the fibers which Venezuela produces, hemp, cogollo, and sisal, the latter promises to be an important product here when capital has developed the industry.

FORESTS PRODUCTS—FISHERIES—HIDES AND SKINS.

The abundant forests of this State yield valuable woods, dyestuffs, tanning materials, and medicinal substances, the larger share of which goes to Europe in sailing vessels, while the part going to the United States, as well as all other goods therefor, are sent by steam vessels. Trade in bulky articles would be brisker with the United States were there, as formerly, more American sailing vessels to engage in it. Great quantities of boxwood are obtainable.

Copaiba forms an important article of export, but much greater quantities are to be had in the forests were sufficient capital available to pay the natives for gathering the balsam.

Rubber is an article equally abundant in this State and awaiting capital to make its export much larger. Divi-divi leaves and mangrove bark find their market for the greater part in Europe, whither they are sent by sailing ships. Porto Rico also receives some of these products. Orchids in great variety, some of them still unknown to cultivators, abound in the mountainous parts of this consular district.

Last year's report stated that the codfish industry was declining, the exports having been smaller than in previous years. They were still smaller during 1908. This is to be attributed largely to the high price of salt. This promising industry gives support to many people of the poorer classes living on the shores of the great lake. It is understood that arrangements are being made to provide plenty of cheap salt for the curing of fish—an absolute necessity in this tropical climate.

The decrease in the exports of fish bladders is also to be attributed in part to the lack of cheap salt. The fishing season was, however, not as good as usual, owing to exceptionally strong northwestern winds.

Hides and skins form the second item in value in the declared exports to the United States. There were notable increases in the exports of all kinds, the value of the hides alone having been over two and one-half times greater in 1908 than in 1907. Many hides were sent to Europe, most of them going to Italy.

Alligator skins to the value of \$75 only were sent to New York. There is no doubt that hunting alligators here could be made a lucrative business, as the skins, the oil, and the teeth are valuable. The rivers of Venezuela are full of alligators. During the egg-laying period hundreds are to be seen on the sand banks of the Rio de Oro and other streams.

EXPORTS OF MINE PRODUCTS—SHIPPING INTERESTS.

The only shipments of asphalt during 1908 were samples from a new deposit. In former years large quantities of asphalt were sent monthly to New York from the well-known mines on the river Limon, belonging to the United States and Venezuela Asphalt Company of New York, but these mines are still closed, owing to international conditions. For the State of Zulia and for Maracaibo

their reopening is of vital interest, as they gave labor to many workmen and distributed monthly many thousands of dollars among the people. When diplomatic differences are settled, there is no doubt but that additional asphalt mines will be opened by other firms, as there are many other large deposits.

The great decrease in the exports of old copper would indicate that the supply of old stills and old copper pipes is about exhausted.

This consular district contains large deposits of copper, and it is hoped here that the attention of foreign capitalists will be drawn to this important fact.

The number of vessels which entered the harbor of Maracaibo during 1908 was 249. Of these 8 were Venezuelan warships, and 51 of the merchant vessels were steamers, while 190 were sailing craft. The United States was represented by 37 steam vessels, and Norway by 14. France, Denmark, the Netherlands, Sweden, and Venezuela were represented by sailing vessels, while 132 of the 190 mentioned were Venezuelan schooners. No other nation of Europe was represented in the entries of the year.

Owing to local conditions navigation was much interrupted. No foreign labor was allowed, as formerly, on American steamers, and American consular officers had to have a permit to visit them. The prevalence of bubonic plague also required regulations which impeded the free movement of shipping. One of the lines having large commercial interests with Porto Rico discontinued the sending of its steamers because of the quarantine regulations of that island. Another line engaged Norwegian freight steamers to carry on its service, and these, with the two regular American mail steamers, still attend to the service satisfactorily. The small American steamer plying between Curacao and Maracaibo has resumed its regular service, foreign labor can again be employed, and consuls are free to visit their ships. Dutch sailing vessels are also coming as in former years, and a brisk trade between Curacao and Maracaibo has been renewed.

The trade of the lake steamers was much reduced, but the natural highway by the river route having been reopened, the river and lake steamers, as well as many large bongos (native boats), are becoming active, and there will shortly be, as in former years, a large trade between Colombia and Maracaibo by way of Cucuta.

PUERTO CABELLO.

By CONSUL JAMES W. JOHNSON.

The value of the articles declared at this consulate for export to the United States during 1907, and 1908, respectively, is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Balsa.....		\$33	Skins—Continued.		
Bones.....		135	Deer.....	\$19,758	\$18,554
Caoutchouc.....		2,032	Goat.....	141,418	99,961
Cocoa.....	\$66,571	111,578	Tonka beans.....		1,033
Cocoanuts.....	8,688	4,150	Wood.....		486
Coffee.....	474,136	153,235	All other articles.....	4,323	47
Fish sounds.....		24	Total.....	827,567	488,786
Feathers (heron).....		31	Returned American goods.....		236
Hides.....	112,673	96,421	Grand total.....	827,567	489,021
Orchids.....		826			
Skins:					
Calf.....		250			

ASIA.

ADEN.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL GEORGE M. GORDON.

The total value of the sea-borne and inland trade of Aden, exclusive of government stores, treasure, and cargo manifested for direct shipment on through bills of lading, in 1908 amounted to \$29,061,440, against \$32,273,579 in 1907, a decrease of \$3,272,139.

The receipts of coal in 1908 showed a falling off in quantity of 900 tons, but an increase in value amounting to \$64,887. The advance in price was due to the increased cost of fuel in the United Kingdom and India, the two sources of supply of coal for Aden. There was an increase in the imports of coffee amounting to \$16,222, while the exports of this article increased by \$21,882.

The imports of skins showed a decrease of \$81,108, while the exports decreased \$413,652. The shipments of skins to the United States in 1908, according to customs figures, were valued at \$1,221,220. There was a decrease in the imports of hides amounting to \$227,103, while the exports showed a loss of \$97,330.

PIECE GOODS—TOBACCO, IVORY, AND SUGAR.

The receipts of gray piece goods showed a loss of 36,000,000 yards in quantity and \$2,133,149 in value. The imports from Italy, India, and the United States showed decreases. The total imports of this kind of goods amounted to 13,821,899 yards, valued at \$870,569. The reexports of gray goods during the year decreased \$1,167,960 in value. The imports of dyed piece goods showed an advance in value amounting to \$56,776, while the exports increased \$113,552. There was a slight decrease in quantity and value in the imports of white piece goods.

In manufactured tobacco the imports showed a decrease of \$243,325 and the exports a loss of \$81,108. The receipts of grain and pulse showed a decline in value amounting to \$186,549, which was due to the scarcity of rain in India and the advance in price of all kinds of breadstuffs. An additional cause for the decrease was direct shipments to Hodeida, Mokalla, and Berbera.

The imports of ivory increased by \$97,330 and the exports thereof by about the same value. There were 25,421 pounds of ivory, valued at \$71,432, shipped to the United States in 1908. There was a decrease of 700,000 gallons and of \$113,552 in value in the receipts of kerosene. The decrease was due to less demand from coast ports and to direct shipments to Red Sea ports. The quantity of oil

imported from the United States during the year was 280,000 gallons, valued at \$36,499.

The imports of sugar showed a decrease of \$113,552. The receipts from Arabia, Mauritius, and India decreased, but those from Russia and Germany increased. The decrease was attributed to the high prices in the markets of production. The exports of wax showed a decline of \$145,995 in value. A large quantity of Abyssinian wax is now shipped to Europe through Khartoum and Port Sudam instead of by the way of Aden as heretofore.

TRADE WITH THE UNITED STATES.

The imports into Aden from the United States in 1908 showed a falling off of \$1,846,463 from the previous year. The articles showing decreases were arms and ammunition, cabinet ware, chemicals, piece goods, drugs, tobacco, flour, leather, machinery, oil, and provisions. There were, however, increases shown in the receipts of carriages, hardware, etc.

The declared value of the exports from Aden to the United States in 1908 was \$1,399,690, a decrease of \$1,070,151 from 1907. The articles are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Civet.....	\$9,091	\$7,480	Skins.....	\$1,849,337	\$938,472
Coffee.....	476,111	444,185	All other articles.....	1	1,941
Gum.....	1,158	909			
Hides.....	3,073	6,703	Total.....	2,469,841	1,399,690
Ivory.....	129,211	62,110			

HODEIDA AGENCY.

By CONSULAR AGENT ERICH LINDENMEYER.

The most important imports into Hodeida are flour, kerosene, rice, and sugar. The quantity of oil received in 1908 was 90,000 cases, of which 75,000 cases came from the United States, the remainder being supplied by Russia. The receipts of flour amounted to 58,100 bags, most of which came from India. Indo-China furnished the rice, amounting to 38,260 bags, and Austria supplied most of the sugar, the total imports amounting to 40,500 bags. Among the other articles imported were: Paper, 2,648 packages; candles, 415 cases; onions, 446 bags; glass and glassware, 800 cases; piece goods, 2,500 bales; and cement, 298 barrels.

Mocha coffee constitutes the chief article of export from this district, the shipments in 1908 amounting to 40,853 bags, a decrease of 4,147 bags from 1907. The United States in 1908 took of this kind of coffee 5,024 bags, valued at \$136,126. This was a decrease in quantity of 3,973 bags from 1907. The shipments of skins to the United States during 1908 amounted to 1,180 bales, worth \$83,058. France took 875 bales, the United Kingdom 588 bales, and Belgium a smaller quantity.

The imports from the United States in 1908 were valued at \$487,500, and the exports thereto at \$219,184. The imports consisted of oil valued at \$112,500 and general merchandise at \$375,000. The

exports consisted of only two items, coffee and skins, the values of which are already given.

During the year 149 steamers arrived at and departed from the port.

CHINA.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL PERCIVAL HEINTZLEMAN, SHANGHAI.

In the annual review of trade conditions for 1907 it was stated that the conditions prevailing in the beginning of 1908 seemed to justify the hope of a revival of foreign trade. The year terminated, however, with this anticipation unrealized, as the depression, especially in the import trade, continued uninterruptedly throughout the Empire from the beginning of 1908 to its close. This was brought about in a great measure by the continuous fall in the exchange value of silver, the reasons generally assigned for the low price of the metal being depression in India and short purchases by the Indian and other governments. However, there can be seen the operation of the general principle that when exchange is unfavorable to one branch of trade it is favorable to the other, for, while the value of imports was greatly reduced in 1908, the exports were relatively well maintained.

According to the Chinese Imperial maritime customs the total foreign trade of China in 1908 amounted to \$446,039,785, a decrease of \$101,787,579 as compared with the previous year. The imports were valued at \$266,210,524, against \$338,966,613 in 1907, and the exports amounted to \$179,829,261 in comparison with \$208,860,751 in the preceding twelve months. The imports from the United States, including Hawaii, in 1908 were valued at \$26,809,707, against \$29,153,746 in 1907. The exports to the United States, including Hawaii, according to Chinese statistics, amounted to \$15,485,638 in 1908, nearly \$6,000,000 less than in 1907.

IMPORTS AND EXPORTS, BY COUNTRIES.

The values of the direct imports from, including goods for reexport, and the direct exports of Chinese produce to each of the leading countries during 1907 and 1908 were as follows:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States, including Hawaii.....	\$29,153,746	\$26,809,707	\$21,012,151	\$15,485,638
Austria-Hungary.....	1,205,515	738,938	618,199	703,082
Belgium.....	8,359,028	5,492,423	3,143,124	2,852,073
British India.....	26,001,388	19,824,255	2,511,969	2,658,572
Canada.....	892,995	781,729	554,158	746,289
Dutch Indies.....	4,848,037	4,180,300	411,916	432,593
France.....	2,495,315	1,562,247	24,220,262	20,883,975
French Indo-China.....	7,271,286	1,746,679	1,343,060	1,516,548
Germany.....	13,251,460	9,125,500	4,826,264	4,611,015
Hongkong.....	122,957,193	97,663,995	71,806,893	59,070,175
Italy.....	480,962	330,540	6,360,078	6,401,930
Japan, including Formosa.....	45,364,514	34,125,624	31,084,266	24,127,906
Manco.....	4,616,852	3,784,558	3,322,492	2,871,963
Netherlands.....	1,041,637	830,714	863,443	1,356,432
Russia.....	1,731,547	5,623,928	13,588,947	19,213,100
United Kingdom.....	61,274,533	47,164,585	9,565,029	8,160,618
Other countries.....	8,990,605	6,454,802	13,635,570	8,137,492
Total.....	338,966,613	266,210,524	208,860,751	179,829,261

CAUSES OF FALLING OFF IN IMPORTS.

Because of the variation in the exchange value of silver during 1907 and 1908, estimates given in taels are much better indexes of the actual value of China's foreign trade than are the estimates given in gold dollars, inasmuch as the loss of the purchasing power of silver does not nearly assume the proportion indicated by the decline of its gold value and as silver is the general medium of exchange. The average value of the haikwan tael was 79 cents gold in 1907 and 65 cents in 1908, and this difference should be borne in mind in comparing the trade of the two years. The depreciation of copper coins, due in general to the excessive output of the mints, presented another serious obstacle to the free interchange of foreign and native commodities. The value of these coins fell until, at the close of 1908, \$1 Mexican, or 40 cents gold, exchanged for 135 copper cents (10-cash pieces) at Hankow, for 126 at Shanghai, and for 128 at Chefoo, while the rates reported from the southern maritime provinces varied from 110 to 117.

The absence of demand for foreign goods in the face of a rather satisfactory export trade may be explained by other causes as well. One powerful factor was the development of native industries, and another was the price of rice, which ruled high during the first half of the year in spite of the good harvests of 1907 and the continued importations from Indo-China. The price of rice is one of the most important factors regulating China's capacity to buy, for if rice is cheap there is more money available for luxuries, and if it is high there is less. The latter half of the year, however, saw a great improvement in this respect. The retail price of the best Kiangsi rice at Shanghai began to fall in August, 1908, and continued steadily downward until in April, 1909, it was over 40 per cent less.

But while according full value to all the other various reasons for the prevailing commercial depression, it would probably not be far wrong to recognize, in the reduced surplus of imports over exports, a natural and healthy effort to readjust expenditure to income. During the Russo-Japanese war the market was overstocked with foreign goods, and long after the end of the war imports were largely in excess of market requirements, and were eventually disposed of only with difficulty and loss.

IMPORTS BY ARTICLES.

The principal items among the imports during 1907 and 1908 are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Asbestos.....	\$39,483	\$42,445	Cotton, manufactures		
Bags.....	838,956	975,715	of—Continued.		
Brass ware, etc.....	455,738	403,000	Chintzes, etc.....	\$1,332,800	\$576,550
Candles.....	480,501	582,206	Drills, etc.....	2,150,049	2,512,250
Carriages, bicycles, etc.....	355,782	244,530	Flannel.....	1,042,351	1,238,250
China ware, etc.....	436,165	259,350	Handkerchiefs.....	192,270	133,705
Clocks and watches.....	851,631	384,800	Jeans.....	1,156,396	2,006,900
Clothing and hats.....	1,583,756	1,079,000	Lastings.....	15,944,018	10,249,200
Coal.....	6,663,725	5,424,250	Sheetings.....	2,895,253	2,231,450
Confectionery.....	111,770	125,385	Shirtings.....	20,192,628	18,134,350
Cordage.....	114,969	81,640	Thread.....	608,094	569,400
Copper, and manufac-			Towels.....	624,990	377,000
tures of.....	3,602,630	4,119,700	Yarn.....	45,396,955	29,442,400
Cotton, manufactures of:			Dyes, colors, and paint.	7,330,688	4,506,800
Blankets.....	244,804	95,745	Fish and fish products.	6,613,790	5,012,800
Cambrics, lawns, etc.	206,489	168,090	Flour.....	11,365,225	4,506,180

Articles.	1907.	1908.	Articles.	1907.	1908.
Fruit.....	\$467,455	\$372,320	Medicines.....	\$1,701,795	\$1,366,300
Furniture, etc.....	769,070	551,720	Musical instruments:		
Ginseng.....	1,249,810	430,560	Automatic.....	19,499	8,170
Glass and glassware.....	1,301,099	910,650	Pianos, etc.....	126,065	70,850
Haberdashery.....	459,978	385,775	Oils etc.:		
Hosiery.....	423,218	336,960	Benzene, etc.....	40,062	45,435
Iron and steel, manu- factures of:			Kerosene.....	15,935,170	17,781,900
Bar iron.....	625,989	625,170	Lubricating.....	176,333	248,328
Castings.....	13,755	12,350	Opium.....	22,774,643	22,246,050
Cutlery, etc.....	132,430	73,450	Paper, etc.....	2,630,662	2,364,050
Hardware.....	841,870	651,950	Printing material, etc.....	144,270	159,835
Hoops.....	77,832	93,860	Provisions:		
Machinery, etc.....	4,791,937	4,319,900	Butter and cheese..	280,624	363,740
Nail rod.....	360,788	324,025	Condensed milk....	283,906	278,135
Nails and rivets.....	522,207	575,900	Rice.....	27,194,514	17,276,350
Pig, etc.....	70,139	59,150	Seeds.....	311,850	255,320
Pipes and tubes.....	455,022	649,025	Soap.....	1,007,749	895,700
Plate cuttings.....	506,843	429,000	Stationery.....	604,406	476,905
Rails.....	184,083	429,300	Stores, household.....	3,442,938	1,541,800
Railway plant, etc.....	10,139,578	8,341,100	Sugar.....	19,324,228	12,870,650
Scales and balances.....	31,945	34,905	Timber.....	4,854,510	3,114,403
Sheets, etc.....	1,226,147	971,100	Tobacco, cigars, etc.....	4,691,506	4,503,850
Stoves, etc.....	231,604	103,610	Varnish.....	73,645	79,007
Wire.....	297,597	231,140	Woolen goods:		
Lamps, etc.....	592,611	536,152	Blankets and rugs..	360,605	96,778
Lead, and manufac- tures of.....	810,963	823,615	Camlets.....	362,197	292,240
Leather, and manufac- tures of:			Cloth.....	679,317	534,300
Boots and shoes....	150,846	284,440	Flannel.....	21,415	23,140
Other.....	1,858,956	1,611,805	All other articles.....	70,426,956	59,557,298
			Total.....	338,966,613	266,210,524

FEATURES OF IMPORT TRADE.

The accumulations of stocks of cotton goods in the Shanghai warehouses, resulting from the overstocking of 1905, are now disposed of and the supply on hand is normal. Trade in this branch of imports is steadily improving, and the usual number of orders are again being placed in America for cotton goods, though the foreign importers are acting conservatively. Imports of cotton yarn declined 60,000,000 pounds as compared with the amount imported in 1907, reaching the lowest figure since 1900. This decrease is to a considerable extent attributable to the output of native cotton mills. Woolen and cotton mixtures were less by one-half in respect of quantity and by \$1,075,810 in value. Metals, with a total value of over \$14,400,000 against \$15,800,000 in 1907, showed increases in quantity, however, with the exception of iron sheets and plates, old iron, and tinned plates. Copper ingots and slabs increased 8,800,000 pounds.

Among the articles classed as sundries in the customs reports, kerosene oil was the only item that conspicuously increased in quantity. There was an increase of more than 26,000,000 gallons in the importation of the American product alone, the 1908 imports being 121,743,000 gallons as compared with 95,565,000 gallons in 1907. The total amount imported in 1908 was 186,000,000 gallons, against 161,000,000 gallons in 1907. There were also increases of over 2,000,000 gallons in imports of Russian oil and of 4,500,000 gallons in Sumatra kerosene. These were partly offset, however, by a fall of some 8,000,000 gallons in Borneo oil. There was a large import of lubricating oil resulting from the increase in steam shipping on the coast of China and the many industrial undertakings in which machinery is now employed. The imports in 1906 were 276,823 gallons; in 1907, 784,727 gallons; and in 1908, 1,301,840 gallons, valued at \$248,326.

Imports of foodstuffs decreased in volume but not so markedly in value. The imports of flour for 1908 amounted to 117,050 tons, valued at \$4,505,150 gold, the corresponding figures for 1907 being 294,250 tons, valued at \$11,365,225. A decline of 104,150 tons in sugar, not apparently made up for by increased movements of the native article, would seem to indicate a smaller margin for luxuries, as would also the fall of over 50 per cent in watches and clocks, and more than 50 per cent in household stores. Building materials were all noticeably reduced. Much of the soft-wood timber, which in 1908 amounted to over 131,000,000 square feet with a value of \$2,170,000, is American pine and comes from the Pacific slope of the United States. Of railway materials Dairen (Dalny) took the principal share, \$3,770,000, while smaller quantities went to Tientsin, Hankow, Chinkiang, Shanghai, Canton, and Mengtze, the total value, \$8,381,100, being slightly below the 1907 figures. The imports of Formosa tea at Amoy were again less than in the preceding year, but this trade is not yet wholly extinct. Much of this tea, or \$350,000 worth, was reexported.

EXPORTS BY ARTICLES.

The value of exports to foreign countries in 1908 was 276,660,000 haikwan taels, or an increase, compared with the silver value in 1907, of 12,500,000 taels. When expressed in gold, however, this increase becomes a loss of \$29,031,490, owing to the variation in the exchange rate of silver.

The value of the exports of domestic produce from China during 1907 and 1908, by articles, was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals, live.....	\$2,688,368	\$2,746,369	Seeds.....	\$4,134,902	\$6,483,605
Bamboo, etc.....	953,761	879,125	Silk, and manufactures		
Bean cake.....	7,127,186	9,289,180	of:		
Beans.....	2,580,780	5,905,610	Raw—		
Braid, straw.....	5,386,083	4,887,025	White.....	14,065,526	11,514,100
Bristles.....	2,353,181	1,861,750	White, steam		
Camphor.....	1,641,206	552,665	flatware.....	30,847,406	21,006,700
China ware, etc.....	1,353,100	1,037,400	Wid.....	4,971,417	4,921,800
Cotton, raw.....	13,398,192	6,724,250	Yellow.....	3,749,629	2,940,925
Eggs.....	1,391,199	1,234,805	Cocoons.....	1,027,057	806,600
Feathers, fowls.....	902,240	649,350	Piece goods.....	8,375,986	7,371,650
Fibers.....	2,104,721	1,545,219	Pongees.....	1,835,674	1,561,550
Firecrackers, etc.....	3,326,447	2,643,550	Refuse.....	421,879	475,900
Fruit.....	1,717,536	1,428,011	Waste.....	4,297,418	2,749,175
Furs.....	329,050	316,432	Other.....	754,392	554,255
Grass cloth.....	738,695	900,700	Skins and hides.....	10,552,210	7,532,148
Mats.....	721,852	740,220	Sugar.....	313,647	652,320
Matting.....	2,027,288	2,327,000	Tallow.....	1,666,221	1,010,743
Medicines.....	1,904,835	1,708,610	Tea:		
Minerals.....	5,118,109	4,412,162	Black.....	12,293,269	9,906,650
Musk.....	591,770	408,200	Brick.....	5,636,056	5,021,243
Nankens.....	831,846	833,300	Green.....	7,236,145	6,319,300
Nutgalls.....	773,513	616,655	Tobacco.....	1,980,841	1,553,500
Oils.....	3,891,925	4,022,200	Wood and timber, etc.....	964,729	1,121,250
Opium.....	198,305	592,830	Wool.....	3,737,500	2,918,622
Paper.....	2,669,781	2,235,350	All other articles.....	9,977,532	19,406,617
Provisions, etc.....	2,810,062	3,453,970	Total.....	208,880,761	179,829,261
Rice.....	9,390,306				

UNITED KINGDOM BUYS LESS CHINESE TEA.

The exports of tea, aggregating 210,100,000 pounds, showed a decrease of only 4,533,000 pounds from the exceptionally high figures of 1907. The season was not, however, generally profitable.

The low exchange gave an undue impetus to shipments, and there is reason to fear that the stocks of Chinese tea carried over from 1908, both in the United Kingdom and in Russia, will impede trade in the 1909 season. Shipments to the United States amounted to 27,819,600 pounds, a slight increase over those of the preceding year. The proportion of Chinese tea consumed in the United Kingdom and in the United States during the past three years is shown in the following table, the quantities being stated in piculs (picul=133½ pounds):

Source.	United Kingdom.			United States.		
	1906.	1907.	1908.	1906.	1907.	1908.
	<i>Piculs.</i>	<i>Piculs.</i>	<i>Piculs.</i>	<i>Piculs.</i>	<i>Piculs.</i>	<i>Piculs.</i>
From all sources.....	2,028,035	2,054,925	2,065,614	670,800	743,850	682,000
From China.....	42,540	72,966	66,906	247,162	248,526	201,074

The lost position of China teas in the market of the United Kingdom may never be recovered, but there are other markets with greater possibilities to be striven for. The whole of the population of America and of continental Europe, exclusive of Russia, does not at present consume so much tea as does the United Kingdom.

SILK TRADE SHOWED IMPROVEMENT.

Silk prices were reduced to a low level in the first quarter of 1908, and stocks were large, but a smaller world crop and improved financial conditions in the United States, which is such an excellent customer for silk-producing and silk-manufacturing countries, enabled stocks to be cleared off, raised prices, and greatly improved the position of the trade before the year's close. Of white silk, native reelings, the exports rose from 3,807,400 pounds in 1907 to 4,256,800 pounds in 1908, the United States' share in 1908 being 976,670 pounds, but steam filatures declined from 6,706,100 pounds in 1907 to 6,560,800 pounds in 1908, owing to short supplies from Canton. Of steam filatures, 522,800 pounds were shipped direct to the United States in 1908. Wild silk advanced from 3,186,100 pounds in 1907 to 4,553,100 pounds in 1908, of which 664,800 pounds were received by the United States. The cultivation of the oak-feeding silkworm in Manchuria is extending, and shipments of wild raw silk and cocoons from Manchurian ports are increasing.

Among exports classed in Chinese statistics as sundries that showed a marked decline raw cotton is chief, the export of this product having fallen from 131,700,000 pounds in 1907 to 81,900,000 pounds in 1908. This cotton goes largely to Japanese mills, where it is manufactured into cloth to be returned to China to compete with the foreign and Chinese-woven articles.

TRADE WITH THE UNITED STATES.

The total trade of the United States, including Hawaii, with China rose, according to the published Chinese customs returns, from 63,501,136 haikwan taels in 1907 to 65,069,763 taels in 1908, an

increase of 1,568,627 taels. These figures, however, when converted into gold at the respective values of the silver tael for those years show an actual decrease in the value of the direct trade of \$7,870,552, \$50,165,897 being the value for 1907, as compared with \$42,295,345 in 1908. There was a decrease of \$2,344,039 in imports and \$5,526,513 in exports.

Imports of cotton piece goods rose in value from \$1,578,737 in 1907 to \$3,532,675 in 1908, but it can hardly be said that they have recovered from the collapse of the earlier year. In 1908 the imports of American piece goods amounted to 1,586,000 pieces; in 1907, 578,000 pieces; in 1906, 8,500,000 pieces, and in 1905, 12,500,000 pieces. The customs returns might be searched in vain for another instance in which a reverse so sudden and complete has befallen such a leading branch of trade. The statistical secretary of the Chinese Imperial maritime customs, in his report for 1908, states that there seems to be no evidence that the American goods have been supplanted by others, and no reason why they should not regain the ground they have lost. The imports during 1908 of the principal makes of plain cottons were: British, 8,993,000 pieces; American, 1,587,000 pieces; Japanese, 986,000 pieces, and Indian, 141,000 pieces.

Since 1907 the imports of American flour have steadily decreased. The stocks of American standard flour in Shanghai for Chinese consumption are reduced to practically nothing, and only small amounts are held for the bakeries supplying the foreign market. Three causes operated to bring about this condition, first, the low rate of exchange, which discouraged imports in all lines; second, the high prices of flour throughout the world; and third, the comparatively low price of rice in China. The use of flour as food in any considerable quantity by the Chinese depends in a large measure upon its price as compared with the price of rice. With rice cheaper than flour for the same food value, the Chinese prefer rice. Owing to favorable crops of rice and other cereals and the abundance of native wheat on hand to supply the demands of the native mills, it is not anticipated that there will be a revival of the foreign flour trade in the near future.

TRANSSHIPMENTS AT HONGKONG CREDITED TO UNITED KINGDOM.

All the leading countries of origin shared in the decline of imports, with the exception of the United States and Russia. In the case of the former the partial revival in piece goods and the increased imports of kerosene made up for reduced trade in flour, lumber, and other articles. Imports into China from the Philippines fell from \$2,035,830 in 1907 to \$1,174,550 in 1908, while the islands took in 1908 only \$113,750 worth in return, an increase, however, of \$35,540. The export figures do not represent the true state of things, for the Philippines are dependent to a great extent on cattle from south China, which are transhipped at Hongkong, and thus do not appear as exports from China to the Philippine Islands. The same may be said of rice, over \$1,500,000 of which was exported from Hongkong to the Philippines during 1908. There were also exported large quantities of provisions, flour, sugar, and cement. The total declared value of exports from Hongkong to the Philippine Islands during 1908 was \$4,429,313. Practically all of the articles exported were produced originally in China.

The value of the trade of China with the United States and the Philippine Islands, and also with Great Britain and its possessions, is shown in the following table:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$29,153,746	\$26,809,707	\$21,012,151	\$15,485,638
Philippine Islands.....	2,035,830	1,174,550	78,210	113,750
Total.....	31,189,576	27,984,257	21,090,361	15,599,388
Great Britain.....	61,274,533	47,184,585	9,565,029	8,160,618
Hongkong.....	122,957,193	97,663,995	71,806,883	59,670,175
India.....	26,001,388	19,824,255	2,511,959	2,658,572
Other British possessions.....	5,829,370	4,821,722	3,962,662	3,363,569
Total.....	216,062,484	169,474,557	87,848,533	73,852,934

The inaccuracy which results from the practice of crediting to Hongkong all merchandise that passes through that port should always be borne in mind, otherwise the discrepancy between American and Chinese figures is hopelessly confusing. It is estimated that 40 per cent of China's foreign trade consists of transshipments at Hongkong, which are thus credited to the British Empire, though, in fact, they should be divided with the United States and other countries.

DECLARED EXPORTS TO THE UNITED STATES.

There is a wide discrepancy between the figures representing the export trade to the United States as compiled by Chinese officials and those prepared at the various American consulates throughout the Empire. The total of the declared exports to America, including the Philippines, in 1908, was \$30,813,226, according to the American figures, but only \$15,485,638 according to the Chinese. A similar variation exists in the totals for 1907. This trade was divided among the different consulates as follows:

District.	1907.	1908.	District.	1907.	1908.
Amoy.....	\$264,653	\$59,209	Shanghai.....	\$15,247,816	\$9,416,428
Canton.....	6,788,112	6,793,733	Tientsin.....	6,010,384	3,986,866
Chefoo.....	131,118	132,343	Tsingtau.....	786,607	657,708
Foochow.....	619,519	493,573			
Hankow.....	2,028,744	2,050,041	Total.....	40,835,150	30,813,226
Hongkong.....	8,962,197	7,244,325			

EXPORTS DECREASE HEAVILY.

There was a decrease of \$10,021,924 in the exports to the United States according to the American figures. Shipments of antimony increased \$125,153 over the 1907 exports, and rice gained \$260,520, with minor increases in other items; but these could not offset a loss of \$2,357,729 in goatskins, \$1,687,548 in tea, \$907,894 in raw silk, \$799,676 in wool, and other large decreases. The value of the prin-

principal articles declared for export to the United States through the various consulates in 1907 and 1908 appears in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Albumen.....	\$196,452	\$72,999	Matting.....	\$1,944,384	\$1,420,665
Antimony.....	59,035	184,188	Oils:		
Braids, straw.....	1,501,914	1,097,460	Nut.....	602,202	770,459
Bristles.....	931,597	490,719	Peanut.....	233,309	192,988
Camphor.....	449,333	15,149	Other.....	105,206	50,367
Cassia.....	518,757	323,102	Pills, antioptium.....	398,543	5,233
Cattle.....	863,988	266,710	Provisions.....	1,386,489	1,042,123
Cement.....	233,513	378,130	Rice.....	1,802,165	2,062,685
Clothing, Chinese.....	271,496	196,524	Rugs and robes, skin:		
Earthenware and glass-ware.....	171,631	60,587	Dogskin.....	158,314	81,616
Fireworks.....	574,703	380,795	Goatskin.....	108,763	77,813
Flour.....	256,275	272,435	Silk, and manufactures of:		
Furs, dressed and undressed.....	219,843	85,080	Raw.....	10,256,746	9,348,852
Hair:			Wild.....	222,697	464,881
Horse.....	101,805	95,496	Piece goods.....	143,297	92,546
Human.....	58,448	140,495	Pongees.....	124,422	212,675
Other.....	527	10,385	Waste.....	186,034	124,808
Hides and skins:			Other.....	1,044	1,691
Cow and calf.....	419,018	177,092	Sugar.....	103,759	163,884
Goat.....	3,990,232	1,632,503	Tea.....	4,841,623	3,154,075
Sheep.....	341,376	66,251	Wine.....	133,344	60,422
Other.....	42,622	27,947	Wool.....	3,411,279	2,611,603
Iron, pig.....	153,837	36,099	Returned American goods.....	515,963	94,997
Jute.....	73,398	101,642	All other articles.....	2,726,767	2,667,046
			Total.....	40,835,150	30,813,226

AMERICAN SHIPPING LESS THAN TWO PER CENT OF TOTAL.

The total tonnage of all steamers, sailing vessels, and junks that entered and cleared at the various ports in China under the cognizance of the Chinese customs during 1908 was 83,991,289 tons, the highest on record, and 3,881,865 tons ahead of the total for 1907. However, the number of vessels decreased by 10,327. Tonnage under the American flag in 1908 decreased 47,124 tons, and, with a total of 998,755 tons, was only 1.10 per cent of the whole. In 1907 the percentage was 1.30. Tonnage under the British flag increased 1,089,143 tons, aggregating 34,405,761 tons in 1908, or 41 per cent of the whole, while the Japanese tonnage aggregated 18,055,138 tons, or 21.5 per cent, a gain of 2,456,925 tons over 1907. French shipping increased 360,000 tons, principally at the Yangtze ports, while vessels of the foreign type owned by Chinese gained 400,000 tons. There was an oversupply of tonnage in China as elsewhere and freight rates were low. Consequently the year as a whole was unprofitable. The extension or at least the maintenance of the American flag on the commercial waterways of the Far East, in view of the future great commerce of the Pacific Ocean, is a matter of urgent necessity, if for no other reason than that healthy competition, which goes so far to insure fair treatment at the hands of trade rivals, may be preserved.

PROGRESS MADE BY RAILWAYS DURING THE YEAR.

While railways received considerable attention during 1908, no remarkable progress was made in construction. On the South Manchuria Railway, owned and controlled by the Japanese, the standardization of the gage was completed in May, 1908, the line at the same time having been doubled for a distance of 238 miles from Dairen

(Dalny). Work on the Tientsin-Pukow line did not get beyond the stage of survey in 1908, but the spring of 1909 found construction work advancing slowly. March, 1908, saw the opening of rail communication between Chinkiang and Nanking, so that the latter place can now be reached from Shanghai in 7½ hours. In August of the same year Nanking was connected with the river by a short line, which will be extended eventually to Wuhu. About the middle of the year the Kaifengfu-Honanfu line was completed. Twenty miles of the Kiangsu Railway, from Shanghai to Sungkiang, were opened in April, 1908, and the remaining portion to Fengking, 37 miles from Shanghai, is about completed. The Chekiang Railway, which is to join the Kiangsu line at Fengking, is completed between Hangchow and Kashing. On the Canton-Hankow line traffic was opened at the end of 1908 to a point 45 miles distant from Canton. Nothing was done on the proposed lines from Wuhu to Kwangtehchow, from Hankow to Chengtu, and from Amoy to Changchow, while on the line from Sunning to Yeungkong work advanced but slowly. The first section of the Tonkin-Yunnan line, extending 44 miles from the French frontier into China, was opened on June 1, 1908, and trains are now running to within a few miles of Mengtsz.

Many new railway enterprises are under consideration, among others being lines from Yunnan to Szechuan, from Yunnan to Hunan, from Yunnan to Burma, from Pakhoi to Nanning, and from Foochow to Nanking. No definite steps have been taken in the matter of the Chefoo-Weihsien line. The line from Antung to Mukden is to be widened to standard gage, and a bridge built across the Yalu to connect with the Korean railways. The Peking-Kalgan line, the only line constructed with Chinese capital and by Chinese engineers, is in operation as far as the Great Wall at Nankow Pass, and is being steadily extended into Mongolia toward Kalgan. With the establishment by the Japanese of the Shanghai-Dairen direct steamer service, which is operated in connection with the Trans-Siberia and South Manchuria express trains, Shanghai is now distant but sixteen days from London.

TELEGRAPH RATES REDUCED—POSTAL ROUTES EXTENDED.

The Chinese Imperial telegraph lines were added to during 1908 by the recovery from Japan of the lines in southern Manchuria outside the reserve of the South Manchuria Railway. The submarine cable connecting the leased territory of Kwangtung with Chefoo became, according to the terms of the same convention, a joint undertaking between the two Governments. During the year the Imperial telegraph system was extended in several other districts, the most notable extension being the new line connecting Newchwang with Antung. The schedule of charges throughout China proper were reduced 20 per cent as compared with former rates, while in Manchuria the reduction was 50 per cent.

The year 1908 saw the improvement of the Chinese Imperial postal organization, the betterment of interprovincial communication, and the establishment of a courier service working day and night. The postal routes now cover 80,000 miles, of which 68,000 miles are courier lines. The number of post-offices open in 1901 was 176. There were 2,803 open in 1907, and 3,493 in 1908. The number of

postal articles handled in 1901 was 10,000,000; in 1907, the number was 168,000,000, and in 1908, 252,000,000. The parcels dealt with in 1901 numbered 127,000, in 1907, 1,920,000, and in 1908, 2,445,000. The value of the money orders issued in 1908 showed a corresponding increase over that in 1907.

MINING ACTIVITIES OF THE YEAR.

The mining industry continues to improve, although a draft of mining regulations, submitted to the foreign representatives at Peking by the Chinese Government, was unacceptable.

The ore used at the Hanyang Iron and Steel Works is procured at the Tayeh mines. These mines, situated 70 miles from the plant, are about 18 miles inland from the Yangtze River, with which they are connected by rail. Vast quantities of the ore are available and easily procurable. The coke used at these works is derived from coal mined at Pinghsiang, Hunan Province, where it is found in abundance. Modern methods are employed in mining it as well as in conveying it the 360 miles to the steel works. The iron mines, coal mines, and steel plant all belong to one concern, which employs 20,000 Chinese. Twenty Europeans are employed at the steel plant and 15 at the mines. During 1908 the output of pig iron was 66,000 tons, and of steel 200 tons per day.

The 1908 output of the Fangtze mines of the Shantung Mining Company was 222,450 tons of coal as compared with 145,000 tons in 1907; at their Poshan mines 56,600 tons were mined, as compared with 34,200 tons in the preceding year. The daily output of the Fangtze mines is now 1,000 tons, and of the Poshan mines 400 tons. In the latter part of 1908 this company established an agency at Shanghai and commenced selling its washed lump in that market. At Hungshan the company produced a coal of Cardiff standard, for which the German navy has made a contract of 15,000 tons. A washing plant is now being erected there, which will be in operation about August, 1909, after which time the output is expected to reach 600 tons per day.

COMPETITION IN CHIHLI PROVINCE.

The Chinese Mining and Engineering Company, whose three collieries are near Tongshan in Chihli Province, sold 959,000 tons of coal during 1908; the mines have a capacity of 1,250,000 tons per annum. These mines are furnished with modern equipment. A rival company, a purely Chinese concern, has been established recently in the same field, and is meeting with success. The Peking Syndicate mines in Honan and the Ching Ching mines in Shansi are competing in the markets of North China, furnishing a fair variety of anthracite. The Peking-Kalgan railway line taps a rich coal field near Kalgan, and the branch of this line extending to the Men-tou-kou mines is already in operation. A Chinese company is attempting to secure funds for working the coal and iron mines in Shansi. The operation of the Kiangpei coal and iron mines in Szechuan is being delayed by various causes.

The South Manchuria Railway Company has pushed forward with great energy development work on the Fushun coal mines. Extensive additions to the equipment of the mines more than doubled the

output. At the beginning of 1908 the daily output was 500 tons, whereas by the end of the year it reached 1,200 tons. These coal mines constitute one of the chief assets of the South Manchuria Railway Company.

Practically nothing has been accomplished during the year in the development of gold, silver, or copper mines throughout the Empire.

DEVELOPING NATIVE INDUSTRIES.

The vigorous condition of the export trade and the progress which is being made in the establishment of manufacturing industries augur well for China's future. In 1908, Shanghai distributed to the outports 46,600,000 pounds of cotton yarn from local mills, valued at \$5,701,800 gold, or some 88 per cent more than in 1907; while the distribution of flour from Shanghai mills to the outports was 50,212 tons, valued at \$1,766,050 gold, or 28 per cent more than in 1907. Great activity was manifested at Hankow, especially in the production of iron and steel. By virtue of its natural resources and the character of its people China is destined to attain a high position as an industrial nation, though the retention of primitive methods of production in the face of formidable foreign competition is endangering the tea and silk trades. Many manufactures now imported from America and Europe will before long be produced in China, but while trade in certain varieties of goods will decline, there will be compensation in the increased demand for articles of an entirely different nature, for, by developing its own resources, China will increase its purchasing power.

While there can be no doubt that the general and ultimate effects will be good, the determined campaign against the cultivation of the poppy, which has been conducted during the past year, must affect trade for a time, especially in the opium-growing Provinces. The total annual income from the poppy is estimated at \$65,000,000. The immediate suppression of the use of opium is the policy in 13 of the 21 Provinces, where it is promised that the production of the poppy will entirely cease in 1909, while in the other Provinces the eradication of the evil is to consume one or two years longer. In this connection it is interesting to note that a customs regulation, assented to by all the treaty powers, which became operative on January 1, 1909, prohibits entirely the importation of morphia and instruments for its injection.

HOW TO HANDLE THE CHINESE TRADE.

Except between ports where steamer transportation is available, traffic has many difficulties to contend with, and it is therefore important that all goods intended for remote parts should be strongly packed and all machinery liable to rust from exposure to water should be well coated with some anticorrosive. When such goods arrive in bad condition the blame is invariably thrown on the foreign manufacturer, and the placing of future orders is thereby affected. When machines of any description are sent out in parts, these parts should all be carefully marked, so as to leave no doubt as to how they should be fitted together and set up.

American manufacturers should be willing to give longer credits, as the Chinese are accustomed to receive credits from merchants of

other nationalities, and not to pay cash against bills of lading, as is usually demanded by Americans. On the other hand, any undue augmentation of the amount of credit trade would be unwise, as there is already sufficient of it to cause anxiety in times of stress.

American business methods and intelligence must be applied to the problems of the American exporter if the trade of the United States in China is to be developed and attain the position that properly belongs to it. American manufacturers and exporters interested in this trade should be brought to realize that their interests can best be advanced by young American men. More young Americans should be sent to China as representatives of the greater industries and allowed to develop their particular business in the community in which they may reside. The casual drummer with catalogues, figures, and a few samples is not in nearly so favorable a position for securing orders as the resident agent who is known to the community and acquainted with the conditions of trade. If American capital could be induced to make permanent and substantial investments in China, and if the number of resident agents were largely increased, the outlook for American trade would be considerably brightened. It is frequently mentioned by Chinese merchants and officials that Americans show small disposition to take advantage of, or to convert into material profit, the good will which the Chinese at large now manifest toward the United States.

AMOY.

By CONSUL JULEAN H. ARNOLD.

Probably the most noteworthy event in the trade of the port of Amoy during 1908 was the passing of the last vestige of the Formosa tea trade. Ten years ago practically all of the 17,000,000 pounds of Formosa tea annually exported to the United States was packed and shipped from Amoy. With the development by the Japanese administration of proper shipping facilities in the harbor of Kelung, Formosa, it became more economical to pack and ship the tea directly from Formosa to the American market. Naturally, it required some time to effect the readjustment, but the year 1908 witnessed the final shipments of Formosa tea to America through the port of Amoy. The Japanese administration of Formosa has not only eliminated Amoy from the island's tea trade with America, but it has also severed almost completely those strong commercial ties which formerly bound Formosa to the China coast. Twelve years ago Formosan trade with Amoy amounted to more than \$6,000,000 annually, whereas during 1908 it was less than \$600,000.

In spite of the loss which Amoy suffered by this diversion of Formosa's commerce to Japan, the trade conditions of this district during 1908 were normal, being slightly better than in 1907. The general stagnation in trade which prevailed throughout the Chinese Empire was scarcely noticeable in Amoy. The local agency of the Kongkong-Shanghai Banking Corporation reported that its business for the year was considerably in excess of that of previous years. This may not have been due so much to the prosperous business conditions of the port as to a more liberal policy toward local depositors on the part of the bank.

BALANCE OF TRADE, APPARENTLY AGAINST AMOY.

While the returns for the imports and exports of Amoy show the balance of trade to be against the port, it is not difficult to account for this fact when it is considered that there is an annual passenger traffic between Amoy and southern foreign colonies of more than 60,000 Chinese. The Hongkong-Shanghai Banking Corporation reports that during 1908 over \$4,000,000 was remitted through its agencies by Chinese emigrants in the Straits Settlements, Singapore, and the Philippine Islands to relatives in the Amoy district, and native banks also carry on a large exchange and brokerage business between the Chinese in Amoy and those in the southern colonies. While the 60,000 Chinese leaving each year take with them a considerable amount of money, a similar number returning bring with them far more than the former take out.

The imports of foreign goods into Amoy during 1908 amounted to \$6,360,310, the exports and reexports of native goods were valued at \$1,209,938, and foreign goods worth \$361,156 were also reexported. The various countries sharing in this commerce are shown in the following table compiled from Chinese official figures:

Country.	Gross imports of foreign goods.	Exports plus re-exports of native goods.	Reexports of foreign goods.
United States, including Hawaii.....	\$362,250	\$3,609	
Dutch Indies.....	227,226	288,062	\$261,518
France.....	1,952		
Germany.....	22,997	8	
Hongkong.....	4,936,735	92,801	50,022
Japan, including Formosa.....	499,108	191,370	28,458
Philippine Islands.....	17,912	59,617	15,335
Siam.....	19,516	76,160	1,860
Singapore, Straits Settlements, etc.	202,275	495,565	13,441
Tonkin, Annam, and Cochin China.....	24,348	1,969	340
United Kingdom.....	25,852	494	
All other countries.....	139	343	182
Total.....	6,360,310	1,209,938	361,166

IMPORTS BY ARTICLES.

With foreign imports aggregating \$6,360,310 and native imports \$3,825,106, or a total import trade of \$10,185,416, there was a falling off of \$3,129,676 in imports as compared with the \$13,315,092 total for 1907. The imports of foreign goods during 1908, by articles, and the total imports of native goods are shown in the following table:

Articles.	Value.	Articles.	Value.
Bean cake, native.....	\$836,158	Cotton, and manufactures of—Cont'd.	
Beans, native.....	1,028,421	Drills.....	\$4,522
Birds' nests.....	31,768	Flannel.....	18,184
Breadstuffs:		Italians.....	39,035
Flour—		Lastings.....	45,603
Foreign.....	487,519	Prints.....	18,221
Native.....	104,078	Shirtings—	
Wheat, native.....	73,580	Dyed.....	19,145
Cigarettes.....	21,381	Gray.....	71,020
Clothing.....	16,454	White.....	86,094
Coal.....	67,766	T cloth—	
Cotton, and manufactures of:		English.....	54,394
Raw—		Japanese.....	2,167
Indian.....	10,807	Turkey red.....	20,080
Native.....	41,295	Thread.....	12,271

Articles.	Value.	Articles.	Value.
Cotton, and manufactures of—Cont'd.		Opium.....	\$1,361,980
Woven, fancy.....	\$10,002	Paper.....	10,154
Yarns.....		Rice.....	
Foreign.....	574,151	Foreign.....	783,129
Native.....	54,363	Native.....	470,029
Other.....	39,357	Soap.....	11,841
Dyes, colors, etc.....	40,238	Sugar.....	
Fish, and fishery products:		Refined.....	33,814
Beche de mer.....	70,137	White.....	47,362
Dried and salted.....	383,957	Tea (Formosan, for reexport).....	284,989
Glass and glassware.....	9,313	Timber.....	7,881
Hemp.....	11,711	Tin slabs.....	114,090
Iron and steel, manufactures of:		Wines and malt liquors:	
Iron and ironware.....	30,426	Beer.....	15,222
Machinery and fittings.....	9,428	Wines.....	27,365
Railway materials.....	80,441	Wool, manufactures of:	
Tin plates.....	11,694	Blankets.....	10,321
Lamps and parts.....	17,182	Camlets.....	30,574
Leather.....	12,544	Yarn.....	14,242
Matches.....	83,826	Other.....	16,317
Medicines:		Parcels post.....	33,505
Ginseng.....	89,764	All other articles, both foreign and native.....	1,648,219
Other.....	69,326		
Mercury.....	13,041	Total foreign imports.....	6,360,310
Metals, n. e. s.....	25,115	Total native imports.....	3,825,106
Milk, condensed.....	20,732		
Mushrooms.....	8,605	Total imports.....	10,185,415
Oil, kerosene:			
American.....	327,497		
Borneo.....	65,325		
Sumatra.....	96,265		

Opium is one of the largest single items of import from foreign countries, the supply coming from India, Persia, and Turkey. Rice forms another large item, being imported chiefly from Saigon, Bangkok, and Rangoon. Cotton yarn from India and Japan; cotton goods from England, America, and Japan; flour from America; kerosene oil, 65 per cent of which was imported from the United States; dried fish from Japan and Saigon; tea from Formosa, and tin slabs from the Straits Settlements were the other principal imports from foreign ports. From native ports, beans and bean cake from Manchuria and rice and flour from Shanghai were the chief items.

EXPORTS BY ARTICLES.

In 1907 the exports from Amoy were valued at \$2,338,094, of which \$1,603,063 were taken by foreign countries and \$735,031 by other Chinese ports, and in addition there were reexports, chiefly tea, amounting to \$971,751. In the following table are shown the principal articles exported from Amoy in 1908:

Articles.	Value.	Articles.	Value.
Bags, hemp.....	\$3,270	Tea.....	\$52,100
Bamboo and bamboo ware.....	22,225	Tobacco.....	174,959
Beans.....	37,034	Vermicelli.....	42,276
Bricks and tiles.....	19,914	Parcels post.....	167,171
China ware.....	20,571	All other articles.....	119,171
Fruits, dried and preserved.....	21,521	Total.....	1,200,938
Grass cloth.....	14,849	Reexports of foreign goods.....	361,156
Joss sticks.....	19,146		
Paper.....	440,451	Grand total.....	1,571,094
Provisions and vegetables.....	19,738		

The bulk of the export trade of Amoy is with the Chinese population in the Straits Settlements, Singapore, the Philippine Islands, Java, and Formosa, to which places large numbers of Chinese from this district have emigrated. The largest item of export is paper, of which \$440,451 worth was exported for Chinese consumption abroad. This paper is for the most part made of bamboo pulp, the better quality serving as writing paper and the poorer quality for wrapping purposes. Native leaf tobacco to the value of \$174,959 was exported during 1908 to Formosa, an amount somewhat less than that usually shipped to that island. The Formosan government tobacco monopoly purchases this product for manufacture into cut tobacco for Chinese residents. An item of much interest as an article of export is that of bricks and tiles. Amoy has the reputation of producing the best quality of bricks and tiles made in China. With modern brickkilns and modern methods of manufacture the brick and tile making industry, which is favored in Amoy with a splendid quality of red clay, should mean much to the future industrial development of this port.

AMERICAN FLOUR AND KEROSENE WELL LIKED.

The one product of which the American trade seems to enjoy a monopoly in the market of this port is flour. Although the imports of American flour into Amoy in 1908 were \$400,000 less than those of 1907, this may be accounted for by reason of better crops of native rice and a scarcity of wheat in America; in other words, comparatively cheaper rice and dearer flour for 1908 as compared with 1907. Under normal conditions Amoy should import about 200,000 barrels of American flour annually.

Although American kerosene has never been able to claim a monopoly of the trade here, the progressive business methods of the Standard Oil Company in south China are rapidly winning this market for the American product. Since that company placed its own men in the field, the sales of American oil have increased more than 1,000 per cent, and during 1908 the American product made up 65 per cent of the port's entire purchases of kerosene, 3,618,146 gallons being imported from America, 789,170 gallons from Borneo, and 1,057,290 gallons from Sumatra.

In addition to flour and kerosene Amoy imports from the United States considerable quantities of condensed milk, tinned provisions, ginseng, and cotton drills. It is difficult to estimate the amount of these products imported each year from America for the reason that they appear in the customs returns with the imports from Hongkong and Shanghai.

DECLARED EXPORTS TO THE UNITED STATES AND PHILIPPINES.

Since the diversion of the Formosa tea trade from Amoy to Kelung, which at one time made an item of \$3,000,000 in the reexports from this district to the United States and brought annually from 10 to 15 trans-Pacific steamers to this port, the export trade to the United States has fallen off until, in 1908, the declared exports to that country, excluding the Philippines, amounted to but \$14,921, as

compared with \$204,053 in 1907 and \$1,161,537 in 1906. Lily bulbs formed \$9,251 of this total, tea \$4,002, household effects \$788, and miscellaneous articles \$880. There were 2,600,000 bulbs shipped from this port to the United States, these bulbs being grown about 40 miles from the city. The plant belongs to the family of the Amaryllideae, and is exported simply as a flowering plant.

The declared value of exports from Amoy to the Philippine Islands for 1908 was \$44,288, against \$60,600 in 1907, but this total is but a fraction of the aggregate exports from this port to the islands, as a large amount is carried as household goods and personal effects by the 5,000 Chinese returning annually from this port to Manila and other Philippine cities. The principal items of export declared through the Amoy consulate to the Philippines in 1907 and 1908, respectively, are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bags, old	\$1,744		Joss sticks	\$1,050	\$290
Bamboo ware	177		Medicines	1,233	1,240
China ware	5,402	\$3,270	Paper	6,905	3,738
Chinese books	278	151	Tea	6,296	12,074
Cotton shoes	127		Vegetables:		
Fish nets	8,511	4,585	Potatoes	377	125
Fruits:			Other	62	
Fresh	209	73	Vermicelli	1,755	1,330
Dried	815	522	Wooden ware	1,791	1,299
Grass cloth	8,848	7,185	All other articles	5,909	4,239
Grindstones	979	233			
Hemp string	4,911	2,370	Total	60,600	44,288
Ironware	3,221	1,586			

AMERICAN SHIPPING NOT WELL REPRESENTED.

Ordinarily the Amoy harbor presents a fairly busy scene. Foreign steamers plying between this port and Singapore, Straits Settlements, the Philippine Islands, and Formosa carry more than 60,000 native emigrants from Amoy each year and return nearly as many. A summary of the foreign, coasting, and inland-waters trade during 1908 is given in the following statement:

Trade.	Steamers.		Cargo.		Passengers.	
	Entered.	Cleared.	In.	Out.	In.	Out.
Foreign	330	222	Tons. 421,781	Tons. 280,073	62,958	42,133
Coasting	681	579	758,012	623,778	14,137	12,424
Inland waters	4,772	4,345	177,228	177,338	264,026	260,020
Total	5,783	5,146	1,357,021	1,081,189	341,121	314,577

Of the 1,812 vessels engaged in the foreign and coasting trade which entered and cleared in 1908, 991 were British and had an aggregate tonnage of 1,263,934 tons; 578 were Japanese, tonnage 516,317; 58 were Dutch, tonnage 122,236; 36 were German, tonnage 49,408; and only 2 were American, with a tonnage of 6,372 tons. British ships carried 50 per cent of the trade with foreign ports and 55 per cent of the coasting trade, and Japan had 40 and 30 per cent, respectively, of this water traffic.

BANKING AND REVENUE.

There are located in Amoy 2 foreign and 3 native banking institutions. The currency in circulation in this district, exclusive of the surplus carried by the banks, is roughly estimated at \$850,000, silver dollars forming \$360,000 of this amount, \$240,000 being subsidiary silver coins, \$200,000 copper coins, and \$50,000 bank notes. At the end of 1908 the banks had in surplus stock about \$1,250,000 worth of silver dollars, an amount more than double that of ordinary years. This large surplus found its way into Amoy because of the fluctuation in exchange between this port and other Chinese coast towns and between Amoy and Formosa. Silver dollars were shipped during the early part of the year from Amoy to Formosa, where they were at a premium, but the action of the Formosan government in prohibiting the importation into the island of silver dollars other than its own Japanese yen was, in great part, responsible for the large surplus in Amoy at the close of the year. The total imports of silver coins from foreign countries were valued at \$1,430,095, and of silver and copper coins from other Chinese ports \$2,491,853. During the year gold in bars, dust, and coins amounting to \$158,714, and silver in bars, sycee, and coins aggregating \$1,484,254 in value were exported to foreign countries, and \$228,872 to other Chinese ports. The foreign firms in this district report that the fluctuations in exchange during the year injured the import trade, but it appears from the customs returns that the general trade conditions of the port were not so badly affected by the fluctuation as those of other ports in China.

The total customs revenue of the port of Amoy during 1908 was \$478,830. Foreign flags contributed \$300,148 of this amount in import, export, and coast trade duties and tonnage dues; native vessels paid \$10,155 under the same items; transit dues amounted to \$9,331, and opium likin to \$159,196.

RAILWAY DEVELOPMENT.

There is probably no one factor in the industrial development of China which is receiving so much attention and which promises so much for the future of the Empire as the building of railways. Although Fukien Province has been slow in inaugurating railways, yet an area of 46,332 square miles and a population of 22,870,000 (equivalent to 493 inhabitants to the square mile) place this Province among the most densely populated in China, and naturally make it a splendid field for transportation enterprises. The district is rich in agricultural and mineral wealth, and a Chinese stock company holds a valuable mining concession in this section on which important development work is looked for within the next few years.

The railway being built from Amoy to Chang-Chiu, a distance of 30 miles, is progressing slowly and will probably cost, when finished, considerably more than were it being built by foreign capital under foreign supervision. But one of the Chinese stockholders of the road said: "It may cost us more to build the road, and take a longer time, but we are building well, as you must admit, and it is to our interest to learn how to do these things for ourselves even though we have to pay highly for the experience." It is true that the road is being well built, under the Chinese engineer in charge. The

purchasing of all materials and the letting of many subsidiary contracts is done by the directors. About one-half of the line is constructed. There still remains to be completed some expensive engineering work, involving the construction of a number of bridges, one of which will be 1,017 feet long. It is contemplated that the whole line will be finished by December, 1910.

MUNICIPAL IMPROVEMENTS NEEDED—GLASS FACTORY A SUCCESS.

Although Amoy has a population of nearly half a million, it has neither gas nor electricity. There is considerable talk among some of the local wealthy Chinese of organizing a company for the purpose of installing an electric light plant. The city has no waterworks, though there is probably no public improvement that would do more toward improving the sanitary conditions of the port than good running water. The foreign population of Amoy in 1908 numbered 2,449, of whom 77 were American, 1,710 Japanese, 361 British, 199 Spanish, 44 French, 28 German, and 14 Portuguese.

The glass factory established in Amoy a few years ago is doing splendid work, having enlarged its plant considerably during 1908. It confines its operations principally to the manufacture of lamp chimneys.

The most noteworthy event of this port during 1908 was the visit of the American battle ship squadron. The fact that more than half a million dollars were expended by the Chinese in entertaining their guests is evidence that the reception was no small affair.

During the latter part of October this district experienced heavy wind and rain storms. At Chang-Chiu city 6,000 houses were demolished and more than 1,000 lives lost. An area of 240 square miles was flooded to such an extent as to destroy the fall rice crops. Through the generosity of local residents the catastrophe was passed through without the necessity of seeking outside relief.

CANTON.

By CONSUL-GENERAL LEO ALLEN BERGHOLZ.

In reviewing the trade of Canton for 1908 it is very satisfactory to note that commercial conditions seem to have steadied, customs returns showing a gain of \$453,109 in the gross trade of the port over the total for 1907, the figures being \$83,987,962 for 1908 and \$83,534,853 for the preceding year, as is shown by the following statement:

Imports and exports.	1907.	1908.
Imports of foreign goods:		
From foreign countries and Hongkong.....	\$23,716,189	\$24,004,955
From Chinese ports.....	363,067	151,446
Total foreign imports.....	24,079,246	24,156,401
Reexported to foreign countries and Hongkong.....	41,297	74,232
Reexported to Chinese ports.....	122,267	279,708
Total foreign reexports.....	163,564	353,940
Total net foreign imports.....	23,915,682	23,802,461

Imports and exports.	1907.	1908.
Imports of Chinese products.....	\$15,221,561	\$21,629,326
Reexported to foreign countries.....	347,971	652,540
Reexported to Chinese ports.....	36,960	24,259
Total native reexports.....	384,931	679,799
Total net native imports.....	14,836,630	20,952,527
Exports of native produce of local origin:		
Exported to foreign countries.....	40,500,899	34,449,414
Exported to Chinese ports.....	3,733,147	3,752,821
Total exports of native produce of local origin.....	44,234,046	38,202,235
Gross value of the trade of the port.....	83,534,853	83,967,962
Net value of the trade of the port, i. e., foreign and native imports and native exports, less reexports of foreign and native goods.....	82,986,358	82,957,223

To the merchants this is a hopeful indication. Foreign competition is now so keen in China on account of the increasing activity of the Japanese and Germans, the market so delicately balanced, and business done on such a narrow margin that the mere possibility that existing conditions may be disarranged causes uneasiness, resulting often in the holding up of contracts and orders. In addition to these facts, there were local conditions which depressed commerce. In the spring a disastrous flood occurred, when thousands of persons were drowned and the matting, silk, and other crops severely damaged. This, with the typhoon, which caused immense loss of life and property, had a decided influence on trade.

IMPORTS BY ARTICLES.

The loss of the Chinese market to Japanese goods made a considerable difference in the amounts of some foreign imports. The decrease was particularly noticeable in the imports of sea foods, matches, and coal. There was, however, an increase on the whole of \$6,484,920 in imports as compared with 1907, the gross value of both foreign and native imports for 1908 being \$45,785,727, against a gross value of \$39,300,807 the previous year. Foreign goods to the value of \$24,156,401 were imported during 1908. The value of the imports of foreign goods, by articles, during 1907 and 1908 is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bamboo.....	\$10,855	\$11,759	Cement.....	\$69,636	\$167,564
Beans and peas.....	153,194	17,959	Chemicals, drugs, and medicines:		
Birds' nests.....	8,328	17,002	Borax.....	1,982	10,251
Boots and shoes, India rubber.....	148,503	61,095	China root.....	24,341	18,256
Brass and yellow metal...	84,344	193,973	Medicines.....	119,193	224,968
Breadstuffs:			Other.....	4,249	4,307
Bran.....	26,882	23,280	Clocks and watches.....	39,111	28,722
Flour.....	871,654	1,131,798	Coal.....	697,211	538,511
Vermicelli and macaroni.....	77,419	81,806	Compo.....	48,423	20,347
Other.....	18,862	25,466	Copper.....	84,014	415,500
Building materials and fittings.....	70,441	39,705	Cotton and manufactures of:		
Candy.....	38,047	13,008	Raw.....	92,161	52,254
Canvas.....	12,420	8,726	Cloth, Japanese.....	99,405	6,500
			Drills.....	17,900	22,296

Articles.	1907.	1908.	Articles.	1907.	1908.
Cotton, and manufactures of—Continued.			Oil—Continued.		
Duck.....	\$17,567	\$29,124	Kerosene—Continued.		
Dyed cottons and drills.....	227,609	373,394	Borneo.....	\$94,791	\$74,967
Flannel.....	174,598	134,630	Sumatra.....	522,906	762,926
Handkerchiefs.....	18,163	30,398	Other.....	1,426	5,110
Mercurized cord, etc.....	10,988	16,773	Opium:		
Prints.....	105,258	65,055	Malwa.....	444,503	463,618
Shirtings, English.....	938,835	888,149	Patna.....	3,214,008	4,343,018
Socks.....	41,179	86,695	Benares.....	516,760	968,968
Spanish stripes.....	31,788	121,762	Persian and Turkish..	12,307	4,536
T cloth, English.....	58,063	63,311	Paper, and manufactures of:		
Towels.....	157,066	162,940	Printing—		
Velvets and velvet-eens.....	69,586	81,228	Calendered.....	4,611	13,216
Yarns—			Uncalendered.....	239,886	360,873
Indian.....	1,762,502	1,302,591	Stationery.....	23,233	13,810
Dyed.....	33,126	106,777	Other.....	6,102	8,180
Other.....	71,300	62,116	Perfumery.....	15,251	11,362
Dyes:			Provisions:		
Aniline.....	160,168	114,750	Dairy products—		
Indigo.....	22,541	12,808	Milk, condensed..	33,536	44,217
Electrical materials.....	81,424	39,623	Other.....	6,262	9,447
Fish and fish products:			Other.....	6,332	3,645
Awabi.....	64,561	39,534	Rattan:		
Beche de mer.....	80,401	50,822	Cores.....	60,124	53,230
Cuttlefish.....	283,510	178,200	Whole.....	158,209	76,964
Salted.....	320,699	289,246	Rice.....	2,893,504	1,150,080
Shrimps and prawns.....	109,421	81,846	Seeds.....	27,317	35,380
Stockfish.....	33,287	7,013	Silk piece goods.....	45,208	69,923
Fittings, engine and boiler.....	38,766	3,867	Soap.....	28,032	36,907
Fruits and nuts:			Spirits, wines, etc.:		
Betel nuts.....	15,300	13,026	Beer and porter.....	50,041	39,960
Groundnut pulp.....	109,608	167,950	Spirits.....	96,135	49,676
Persimmons, dried.....	9,768	10,256	Wines.....	31,010	39,418
Plums, dried and salted.....	13,712	11,016	Sugar.....	978,662	668,928
Raisins and currants.....	15,953	17,006	Tea.....	105,427	94,468
Furniture, and cabinet-makers' materials.....	23,872	21,249	Telegraph materials.....	27,052	5,950
Glass, and manufactures of:			Thread, gold and silver, imitation.....	32,130	49,200
Aventurine.....	11,570	15,950	Tobacco:		
Bottles.....	6,800	10,251	Cigarettes.....	149,043	172,951
Plate, silvered.....	25,458	16,393	Cigars and leaf.....	10,402	9,251
Window.....	84,171	42,206	Prepared.....	76,256	80,764
Iron and steel, manufactures of:			Towelling.....	334,697	117,084
Bars.....	61,474	74,979	Umbrellas.....	33,257	36,358
Hardware.....	31,146	33,226	Wax.....	55,204	29,344
Machinery and parts.....	180,597	98,711	White metal:		
Nail rod.....	55,464	53,786	Sheets.....	12,379	16,125
Nails, wire.....	40,510	59,830	Wire.....	10,960	17,509
Pipes and tubes.....	266,710	40,424	Wood:		
Plate cuttings.....	11,717	17,707	Hard-wood planks.....	15,613	8,642
Railway plant and materials.....	511,521	497,038	Soft-wood planks.....	1,716	62,424
Rivets.....	89	264,757	Wool, and manufactures of:		
Sheets and plates.....	25,967	65,037	Berlin wool.....	9,127	12,967
Tinned plates.....	178,650	485,778	Blankets and rugs.....	16,514	24,872
Water plant and fittings.....	228,817	23,283	Camlets, English.....	40,524	44,240
Wire.....	31,744	35,586	Cashmeres and merinos.....	9,344	14,997
Other.....	35,085	45,462	Cloth.....	15,545	15,380
Jade stone.....	349,047	128,560	Lastings.....	25,456	34,568
Lamps and parts.....	18,135	18,226	Mixtures, wool and cotton—		
Lead pigs, bars, and sheets.....	164,380	178,249	Alpacas, etc.....	91,408	137,926
Leather purses.....	12,999	13,625	Cloth, union and poncho.....	49,789	22,782
Matches.....	266,446	186,976	Tweeds and serges.....	45,524	57,534
Match-making material.....	38,077	54,704	Underwear, Japanese.....	110,628	90,363
Metals, n. e. s.....	62,376	25,215	Other.....	49,128	44,935
Oils:			Spanish stripes.....	25,309	26,709
Gasoline.....	8,337	21,657	Tweeds and serges.....	37,529	71,281
Kerosene—			Other.....	42,061	41,067
American.....	1,065,798	1,580,790	Parcels post.....	24,893	21,833
			All other articles.....	1,450,915	1,674,217
			Total.....	24,079,246	24,156,401

INCREASE IN IMPORTS—A GOOD MARKET FOR PAPER.

Among the imports in 1908 there are no decided increases; rather, the gain seems to be quite evenly distributed. An increase of much

more than \$1,000,000 in opium does not augur well for the success of opium reform, but this movement was hardly put into full effect until 1909. Among cotton manufactures, Japanese goods, such as stripes, handkerchiefs, toweling, and cotton cloth, showed slight decreases. There was an increase of more than 50 per cent in printed cottons, which indicates that the market for printed and dyed goods is enlarging. Woolen and cotton mixtures about held their own, while imports of woolen goods increased. Those of silk piece goods also increased, but toweling of all kinds fell from 760,676 yards in 1907 to 196,140 yards in 1908. It is difficult to explain this falling off on any other basis than a large stock carried over from the year before, or else a return to towels of Chinese manufacture.

Among metals there was a strong increase in imports of brass articles, such as screws, tubes, wire, etc., while copper also shared in the gain. Iron products, of course, formed the bulk of metal imports, and there were noticeable increases in the imports of bolts, nuts and washers, rivets, galvanized wire, steel sheets, and plates. The construction of railways is responsible for most of this increase. The completion of the waterworks cut off the market for pipes and tubes to a large extent. Pig iron also experienced a relapse. Bricks and tiles took a decided advance, testifying to the increasing popularity of western materials and manner of construction. The imports of cement, largely used on the railways, more than doubled in 1908, but it is to be presumed that with the opening of the new cement factory in Canton this market will be supplied locally. The steady gain in the imports of cigarettes indicates a growing taste for tobacco in that form. Heretofore the pipe has been the one method of using tobacco among the Chinese. Electrical materials dropped more than half and engine and boiler fittings decreased greatly. Japanese matches declined from 1,265,033 to 934,882 gross.

Paper, calendered and uncalendered, for printing is an article of constantly growing importance. During 1908 the increase was marked, and it behooves American dealers to enter the market. Norway supplies a large part of the demand. This applies equally to printing and lithographic materials. The imports of white sugar declined from \$910,347 to \$582,131, but brown and refined sugar showed a small increase. The advance in the value of wine imports is worthy of note, indicating a new line of business.

EXPORTS BY ARTICLES.

Exports of native goods in 1908 aggregated \$38,202,235, a loss of \$6,031,811 when compared with the \$44,234,046 worth of exports to foreign and native ports in 1907. The principal articles exported in 1907 and 1908, respectively, were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Antimony ore.....	\$33,575	\$8,708	Boots and shoes, silk and cotton.....		
Bags, gunny and hemp..	161,848	73,255	Brass, manufactures of:	\$42,199	\$38,069
Bamboo, and manufactures of:			Foll.....	34,778	6,225
Split, leaf, etc.....	29,198	31,915	Ware.....	122,360	76,814
Manufactures.....	40,479	34,526	Bristles.....	87,674	77,766
Bean curd.....	64,540	78,016	Buttons, brass and cap...	207,434	21,549
Books, printed.....	67,367	39,113	Canes.....	17,419	24,850

Articles.	1907.	1908.	Articles.	1907.	1908.
Cassia:			Paper.....	\$275,076	\$137,900
Bark.....	\$216,742	\$198,088	Preserves.....	36,217	12,926
Buds.....	38,744	52,809	Rattan.....		
Lignea.....	964,806	944,850	Cores, pulp, etc.....	33,496	9,418
Twigs.....	21,484	10,046	Mats.....	33,718	2,878
Cattle.....	276,401	151,205	Samshu.....	45,790	32,253
Chemicals, drugs, and			Seeds.....	86,982	32,692
medicines:			Silk, and manufactures of:		
Camphor.....	49,834	14,780	Raw—		
China root.....	16,581	15,120	White.....	687,144	757,261
Medicines.....	356,910	125,830	Yellow.....	43,019	7,483
Samshu, medicated.....	71,261	45,846	Wild.....	49,432	117,777
Other.....	10,700	8,919	Steam filatures.....	21,862,300	16,366,583
China, earthenware, etc.....	214,942	198,301	Cocoons—		
Cloth, native.....	53,712	41,584	Whole.....	326,219	259,015
Cosmetics.....	24,696	22,890	Pierced.....	45,619	24,021
Cotton, manufactures of.....	18,793	23,146	Cloth, silk noil yarn.....	20,230	19,002
Curios.....	11,156	7,802	Clothing.....	109,517	128,418
Eggs, fresh.....	247,029	201,220	Embroidery.....	647,897	374,554
Fans:			Floss.....	54,446	21,668
Palm leaf.....	96,399	109,683	Mixtures—		
Other.....	17,926	15,787	Cotton.....	249,246	90,869
Feathers.....	38,817	46,412	Hemp.....	84,437	72,004
Firecrackers and fireworks	1,519,062	1,604,296	Piece goods.....	4,724,225	4,889,665
Flour, rice.....	22,028	14,730	Refuse.....	2,117,631	1,552,841
Fruits:			Thread.....	126,661	130,650
Fresh and dried.....	51,101	28,965	Silverware.....	129,980	85,856
Olives, salted.....	22,400	27,078	Sugar:		
Furniture.....	50,253	36,343	Cane.....	41,890	10,409
Ginger, fresh.....	134,300	115,176	Refined.....	203,098	201,630
Glass, manufactures of:			Tea:		
Bangles.....	221,335	228,385	Black.....	401,636	342,597
Glassware.....	20,149	14,097	Other.....	11,911	3,796
Gold ware.....	27,746	24,921	Tobacco:		
Grass cloth.....	85,344	65,053	Leaf.....	63,499	47,842
Hair, human.....	89,313	128,352	Prepared.....	471,133	315,928
Hides, cow and buffalo.....	16,824	18,440	Toys.....	16,561	24,797
Horns.....	80,771	64,364	Vegetables:		
Ivory ware.....	18,762	13,039	Garlic.....	107,749	149,070
Joss sticks and ornaments.	119,634	137,818	Taro.....	9,926	10,249
Lichens, dried.....	228,090	94,979	Salted—		
Mats, straw.....	383,081	378,084	Turnips.....	13,472	14,689
Matting (rolls).....	1,922,002	1,512,536	Other.....	69,266	31,628
Meats:			Wood, manufactures of:		
Dried and salted.....	117,444	93,760	Planks, soft wood.....	58,734	66,854
Pinned.....	22,832	20,201	Wooden ware.....	68,725	47,908
Nutgalls.....	12,758	5,817	All other articles.....	2,120,770	4,434,382
Opium dress.....	15,367	12,271	Total.....	44,234,046	38,202,235
Ornaments.....	7,896	22,133			

EXPORT TEA TRADE NO LONGER IMPORTANT.

The decreased shipments of native goods were mainly due to the after effects of the crisis of 1907. The chief exports affected were matting, silk, brown sugar, tea, cassia lignea and bark, joss ornaments, medicines, and paper. The raising of tea for export has ceased to be of great importance. All the conditions are here for putting up a good grade of tea, but the scientifically raised tea of Ceylon and India has driven it out of the market. Practically none is shipped to the United States from this port, Australia and South America consuming the bulk of the poor grade exported. The trade in fireworks increased from \$1,519,062 in 1907 to \$1,604,296 in 1908. Contrary to popular impression, only a small proportion of this goes directly to the United States. The amount sent direct to America last year was but \$323,869 worth, as compared with \$509,124 in the preceding year. The exports of cassia to the United States dropped from \$231,918 to \$141,062, and the total export of cassia showed a slight decrease.

TRADE WITH THE UNITED STATES.

The declared value of exports to the United States in 1908 showed an increase of \$5,621 over that in 1907, the totals for the two years being \$6,793,733 and \$6,788,112, respectively. Had the year been normal, the increase would have been much larger. As it was, the percentage of exports to the United States from Canton, as compared with the total shipments to all countries from this port, increased from 15 per cent in 1907 to 18 per cent in 1908.

The chief articles of export to the United States declared through the Canton consulate in 1907 and 1908 were:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bamboo.....	\$6,154	\$3,660	Paper.....	\$3,481	\$1,135
Bristles.....	3,957	10,988	Peanuts.....	9,719	.....
Canes.....	23,762	16,581	Preserves.....	12,926	903
Cantharides.....	9,538	.....	Rattan core.....	50,509	54,317
Carpets.....	822	1,402	Rubber, old.....	4,285	4,414
Cassia.....	231,918	141,062	Rugs.....	.....	1,070
China ware.....	22,477	8,065	Silk, and manufactures of:	.....	.....
Cuffs, straw.....	1,359	761	Raw.....	3,461,760	4,427,391
Embroideries.....	64,608	25,133	Cocoons.....	32,131	31,235
Fans, palm leaf.....	54,523	35,367	Piece goods.....	16,633	21,807
Firecrackers.....	509,124	323,869	Waste.....	186,034	116,722
Ginger.....	6,227	3,599	Skins.....	1,260	1,846
Grass cloth.....	13,418	1,248	Wooden ware:	.....	.....
Hair, human.....	10,650	7,030	Blackwood.....	16,948	1,680
Joss sticks.....	20,339	28,086	Other.....	1,201	254
Matting.....	1,944,217	1,416,942	All other articles.....	39,107	100,283
Meats, dried.....	.....	6,950	Total.....	6,788,112	6,793,733
Nutgalls.....	4,448	.....		
Oils:					
Cassia.....	5,597	.....		
Star aniseed.....	2,975	.....		

The amount of the total export trade of Canton depends largely on business conditions in the United States, due to its being a large purchaser of matting and raw silk. Hence the unsettled conditions there in 1908 were reflected directly on the Canton market. The slow recovery from the financial crisis in America, the presidential election, and the disturbance in freight rates while the Interstate Commerce Commission was trying to adjust through tariffs on freight to and from the Orient, all tended to retard trade between Canton and the United States; but since the commerce between this port and America held its own despite these drawbacks, we can look forward to a healthy increase in 1909.

AMERICAN KEROSENE MAKES GOOD GAINS.

Notwithstanding the superior advantages held by Sumatra and Borneo oil by reason of their nearness, the imports of the American article showed a marked increase during 1908. American kerosene to the amount of 7,119,267 gallons in tins and 7,413,799 gallons in bulk was imported in that year, making a total of 14,535,066 gallons, as compared with 9,482,734 gallons in 1907. This is an increase of over 100 per cent since the Standard Oil Company first established a branch in Canton five years ago. The installation for handling the oil and unloading the tank steamers is very complete. There is tank capacity for about 3,000,000 gallons and warehouse accommodations for 5,000,000 gallons in cases. There is also a manufacturing plant

for the construction of tins. Imports of Borneo oil amounted to only 677,197 gallons in 1908, against 1,201,962 in 1907, though Sumatra kerosene rose from 4,996,340 gallons to 6,389,193 gallons during the same period.

Of special interest to Americans is the growing demand for kerosene oil, motor boats, canned meats, fruits, pickles, and vegetables, cotton goods, printing paper, wines and liquors, shoes, tobacco, flour, electrical materials, railway supplies, timber, medicines, and building materials. The merchants of the United States are not doing justice to the opportunities awaiting them in the Orient, offering as an excuse the more accessible markets of Europe and South America. This is all very well, but does not show the foresight on the part of the American merchant which has made possible the great Far Eastern firms of England and Germany, firms which are not only doing an immense business, but also getting themselves in position to maintain their hold on the monopoly of supplying China, and acting as commercial empire builders for their mother country. It can be predicted with comparative surety that it will be a very long time before cheap labor can be used in factories in China in competition with the products turned out by skilled labor in the United States. In the meantime, the railways are opening up the country and soon the entire Chinese nation of 450,000,000 people will be both accessible and susceptible of exploitation.

DEALERS BELIEVE MATTING MARKET MUST IMPROVE.

Exports of matting from Canton reached the lowest point since 1902, the number of rolls shipped during 1908 being 243,643, or about 71,000 rolls less than in 1907. Dealers here believe that conditions have reached a point where they can be no worse and must become better. The year 1907 closed stronger than had been anticipated by the straw growers, with a resultant shortage in the straw supply. This necessitated using a large part of the fall crop of straw, which is usually carried forward to the next year, in completing the 1907 orders. Hence the year 1908 started out short of straw, and when it became known that, in addition to this, floods had done considerable damage to the new supply, prices rose to a point where buying became very slow. In the Tung Kun district, where a cheaper grade of matting is made, large orders were placed at much higher prices than usual. Toward the end of 1908 a good demand for the highest grade mattings arose, and falling exchange at this time also acted as an incentive toward the movement of stocks; however, the price paid under late American contracts was below the rate paid at the beginning of the year. The business with Europe in matting, carpets, and rugs was fairly brisk.

SILK MARKET UNSTEADY.

The silk market was very unsteady at the beginning of 1908. Owing to the unusually large crop of 1907 prices gave way toward the end of that year, and this decline continued into 1908. Added to this, dealers had to force sales in order to meet their yearly obligations before the Chinese New Year. The extremely low prices

caused some speculation among European and American buyers, resulting in a temporary steadying of the market, but with the accumulation of new stocks the decline began again. This fluctuation continued until in June it became known that the crop would be short, the first crop of Canton yielding only 2,000 bales as compared with 7,000 bales in 1907. Returns showing the second-crop yield to be but 4,000 bales, against 9,000 the year before, and the partial destruction of the third crop by floods gave added stimulus, prices going up to such a point that during the last three months of the year there was an advance of about \$100 per picul (133½ pounds). Steam filatures were most in demand. America, which ordinarily takes about 33 per cent of the world's supply, is calculated to have consumed 40 per cent in 1908. The seven crops of the year yielded between 35,000 and 40,000 bales, against 57,000 in 1907. The Chinese pay little attention to the rearing and cultivation of the silkworm, while no improvement has been made in the reeling of steam filatures, and as a result of poor winding and irregularity of size the demand is not so large as it would be otherwise. A school of sericulture, with Japanese instructors, was recently established in Canton.

MUCH PROGRESS IN RAILROAD CONSTRUCTION.

The Chinese section of the Canton-Kowloon Railway, starting from Canton, made marked progress during 1908. A station and other terminal buildings are being erected on the bund, while at Tung Shan, on the eastern edge of the city, the officials' quarters, offices, and other buildings are being put up. Work was commenced on the track, the right of way is being acquired rapidly, and it is hoped that the road will be open to traffic in two years.

The Canton-Hankow line had progressed as far as Yun Tam at the close of 1908. This is about 45 miles north of Canton, and trains are running regularly that distance. American engineers are supervising much of the construction. The passenger traffic was good during the year, and freight is becoming of constantly increasing importance. The construction, though slow, is steady, and each section shows profits as it is opened up.

Because of floods and decreased travel during the period of national mourning, the line to Samshui experienced a decline of \$5,496 in earnings in 1908. The total number of passengers carried during the year was 3,052,920, of whom 890 were foreigners. The gross earnings from all sources were \$291,003 and the operating expenses were \$100,058, or \$1,863 less than in 1907. The gross receipts averaged 8½ mills (United States currency) for each passenger per mile.

The line from Sunning to Kung Yick was practically completed in 1908. This line is of interest to Americans through having been built almost entirely by capital furnished by American Chinese, and is under the supervision of Chinese engineers who received their training and experience in America. The line is well built and reflects credit on the builders, who had no foreign assistance.

The concession of the right to build a line from Canton to Macao, which was granted to Portuguese, is now being reconsidered by China. Even a short ride on a railway in southern China shows

what a great future there is before the transportation industry in this country. Villages are so close together that a railroad does not turn aside to connect with them, but pursues a straight path.

SHIPPING AND REVENUE—BUILDING ACTIVITY.

Referring to statistics on shipping and revenue from dues and duties, the most noticeable variation between the figures of 1907 and 1908 are in those affecting the Japanese. Their shipping entering Canton fell from 26 vessels of 27,544 tons in 1907 to 2 vessels of 1,944 tons in 1908. American shipping increased from 27 vessels of 841 tons in 1907 to 62 vessels of 3,628 tons in 1908. These 62 boats were the launches and lighters of the Standard Oil Company. No American ship entered Canton from United States ports. The 2,024 British and 348 French vessels that entered during 1908 included steamers of each nation running regularly between Canton and Hongkong and Macao. The 50 German, 11 Dutch, and 25 Norwegian ships that entered the port were all engaged in commerce.

Dues and duties collected during 1908 amounted to \$2,575,292, as compared with \$2,625,378 in 1907. To this total the American flag contributed \$27,887; British, \$1,783,171; French, \$282,636; Chinese, \$174,156; German, \$28,509; Dutch, \$20,911; Norwegian, \$15,811; Japanese, \$637; and the Swedish, \$113. Duties on opium made up the balance.

The new three-story brick building housing the International Bank and the postal commissioner has been completed. The new quarters of the indoors customs staff are practically finished. In the vicinity of Canton a new smokeless-powder factory is being built, on European plans, under the direction of a German engineer. The government cement factory at Honan was partially put in operation in 1908. At Fatsham there is a large paper mill under construction by a German firm. In addition, there are a number of buildings going up as railway stations and offices, missionary compounds, etc., all on western lines, a style of architecture now followed by the Government in all official buildings.

CHEFOO.

By VICE-CONSUL CHARLES L. L. WILLIAMS.

The general tendency of trade during 1908 in the Province of Shantung has been toward an improvement over 1907. In spite of partial failure of the crops in many parts of the Province, all the staple industries, which depend largely on them, as this is a farming country, have done well.

The low exchange prevailing throughout the year and its rapid fluctuations doubtless had much to do with the decrease of imports. Whether it helped exports, however, is open to doubt, as the unsettled market resulting from sudden variations in exchange tends to counteract the advantage given to the exporter from China by the low rate.

The competition of Tsingtau is still being felt by Chefoo, but so far as exports are concerned, there will be little change for the worse in the future. The straw-braid trade has been diverted to the younger port, but it is improbable that Tsingtau will take from Chefoo the trade

in silk, bean cake, or vermicelli, as these articles are either locally produced or brought from the neighboring coast ports of Newchwang, Dalny, and Antung. Indeed, the only large silk filature in Tsingtau closed its doors during 1908.

The Chinese merchants in this Province and the Shantung merchants throughout the Empire generally during the year tried to bring back the trade to the Chinese port of Chefoo. This movement may be explained in part by local conditions in Tsingtau, where new wharfage and warehouse dues were collected, and in part by an awakening of patriotic sentiment among the Chinese. In regard to the projected railway from Chefoo to the interior, nothing definite has yet been accomplished, not even the formation of a company. However, this line is likely to come within the next two or three years. The sanction of the central Government once obtained, no great delay in starting work need be anticipated. The wealthy Chinese merchants in Chefoo, Huanghsien, Laichowfu, and, to a lesser extent, those in Weih sien, all see that their commercial prosperity may be checked by Tsingtau, and that the only way to remove this possibility is to make transit from the producing regions in the interior to Chefoo equally as cheap and expeditious, by means of a railway, as it is to Tsingtau.

TRADE OF CHEFOO.

The gross trade of the port (imports and exports, including reexports), expressed in haikwan taels, showed a slight gain over 1907, but the net trade (imports and exports less reexports) showed a slight falling off. Of the various items going to make up the gross and net values of the trade of the port, that of exports is the only one showing an increase in the net total. To make the comparison between the two years clear, the figures are given in haikwan taels as well as in gold dollars. According to the following table, the net value of the trade of the port, expressed in haikwan taels, decreased from 28,646,513 taels in 1907 to 27,985,362 taels in 1908, a loss of 661,151 taels, but when these sums are converted on the basis of the exchange prevailing in each year the decline was from \$23,568,920 in 1907 to \$17,686,748 in 1908, or \$5,882,172.

Imports and exports.	1907.		1908.	
	<i>Haikwan taels.</i>		<i>Haikwan taels.</i>	
Imports of foreign goods:				
From foreign countries and Hongkong.....	6,620,215	\$5,446,782	6,182,640	\$3,907,428
From Chinese ports.....	7,117,450	5,855,882	7,210,163	4,556,823
Total foreign imports.....	13,737,665	11,302,664	13,392,803	8,464,251
Reexported to foreign countries and Hongkong.....	696,289	572,872	684,041	432,314
Reexported to Chinese ports.....	2,410,679	1,983,386	2,821,122	1,782,949
Total reexported.....	3,106,968	2,556,258	3,505,163	2,215,236
Total net foreign imports.....	10,630,697	8,746,406	9,887,640	6,248,987
Imports of Chinese products.....	8,751,760	7,200,511	10,322,537	6,523,843
Reexported to foreign countries.....	541,860	445,815	744,309	470,403
Reexported to Chinese ports.....	913,156	751,299	2,616,909	1,653,886
Total native reexports.....	1,455,016	1,197,114	3,361,218	2,124,289
Total net native imports.....	7,296,744	6,003,397	6,961,319	4,399,554

Imports and exports.	1907.		1908.	
	<i>Haitwan taels.</i>		<i>Haitwan taels.</i>	
Exports of native produce:				
Exported to foreign countries.....	2,757,142	\$2,268,430	2,880,289	\$1,820,343
Exported to Chinese ports.....	7,961,930	6,550,678	8,256,114	5,217,864
Total exports of native produce.....	10,719,072	8,819,117	11,136,403	7,038,207
Gross value of the trade of the port.....	33,208,497	27,322,292	34,851,743	22,026,302
Net value of the trade of the port.....	28,646,513	23,568,920	27,985,362	17,686,748

Reexports from Chefoo go principally to Antung and Dalny. Prior to 1907 reexports to Antung were credited to the net trade of Chefoo, as no office of the Imperial Maritime Customs had been opened there. This explains to a large extent the heavy loss shown by the 1907 and 1908 figures when compared with 1906.

The figures given in all of the tables herewith are for the port of Chefoo only. To find the trade of this consular district, it is necessary to add to these figures the returns from Tsingtau, as that port is a shipping point for the central and southern parts of the Province. It is quite possible that although imports showed an apparent falling off here, there may have been some slight gain in goods imported for the Chefoo district via Tsingtau to make up for this.

DIRECT FOREIGN TRADE.

The value of the direct trade of Chefoo with the principal foreign countries, including Hongkong, in 1908 was as follows: United States, \$523,221; Belgium, \$63,363; Germany, \$15,418; Hongkong, \$1,861,661; Japan, \$1,843,236; Korea, \$551,104; Russia, \$1,153,792; United Kingdom, \$72,269. From this it would appear that the United States ranks fifth in the trade at this port, but the value of these figures is affected by the fact that the greater part of the exports from Chefoo are shipped to Shanghai or Hongkong for reshipment abroad, and that imports come almost without exception by way of Shanghai, kerosene oil from America being the only important exception. The bulk of direct trade credited to the United States consists of kerosene. These remarks do not apply to the trade between Chefoo and Japan, Korea, Russia, and Hongkong, as with these countries both imports and exports are shipped direct.

PRINCIPAL IMPORTS.

The quantity of the principal imports of foreign goods at the port of Chefoo during 1908 is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Aniseed.....pounds..	40,964	53,200	Cotton goods—Cont'd.		
Bags.....number..	302,510	95,994	Drills—		
Beche de mer.....pounds.	144,970	138,187	American,pieces..	38,824	44,651
Coal.....tons..	91,953	95,264	English.....do..	13,448	4,841
Cotton goods:			Japanese.....do..	19,075	28,242
Cambrics, Turkey,red,			Handkerchiefs.....doz..	14,291	17,234
pieces.....	64,515	58,885	Italians.....pieces..	93,649	64,812
Chintzes.....pieces..	31,195	12,479	Japanese cloth,		
Cotton flannel.....do..	13,058	15,955	yards.....	14,160	21,849
Crepe, Japanese,			Jeans—		
yards.....	6,580	5,620	American,pieces..	4,745	6,537

Articles.	1907.	1908.	Articles.	1907.	1908.
Cotton goods—Cont'd.			Flour.....pounds..	19,454,841	6,367,774
Jeans—Cont'd.			Iron and steel:		
Dutch.....pieces..	380	1,885	Bamboo steel..do....	950,684	955,472
English.....do....	60,645	72,960	Needles.....millions.	74,108	68,450
Lastings.....do....	15,797	12,536	New.....pounds..	3,884,398	3,085,201
Lawns and muslins,			Old.....do....	11,628,589	8,410,521
pieces.....	27,901	18,861	Isinglass.....do....	38,836	63,707
Sheetings—			Matches.....gross..	2,290,790	1,602,017
American,pieces..	354,204	313,835	Mats, straw.....number.	111,855	114,848
English.....do....	32,642	27,517	Metals:		
Indian.....do....	4,075	2,600	Lead.....pounds..	433,979	333,614
Japanese.....do....	7,223	918	Quicksilver.....do....	16,891	2,128
White, plain,			Tin.....do....	173,831	63,042
pieces.....	111,765	98,710	Oil, kerosene:		
Shirtings—			American.....gallons.	3,622,800	3,421,580
Gray, plain—			Russian.....do....	1,000	—
American,			Sumatra.....do....	638,990	470,000
pieces.....	19,895	39,090	Optum.....pounds..	48,538	32,800
English,			Paper.....do....	1,255,786	900,676
pieces.....	33,399	39,232	Pepper.....do....	271,553	289,408
Japanese,			Seaweed.....do....	7,801,397	5,781,111
pieces.....	660	330	Soda.....do....	2,641,912	3,498,776
Dyed.....pieces..	15,803	10,834	Sugar.....do....	29,982,653	23,725,072
T cloth.....do....	104,764	93,598	White lead.....do....	325,185	420,546
Towels.....dozens..	63,885	40,107	Sugar.....yards..	10,454	95,350
Velvets and velvet-			Woolen goods.....pieces..	3,358	1,464
eens.....yards..	102,445	40,298			
Yarns.....pounds..	4,668,034	6,580,973			

The quantity of the principal native products imported through the Imperial customs at Chefoo during 1907 and 1908 is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
	<i>Pounds.</i>	<i>Pounds.</i>		<i>Pounds.</i>	<i>Pounds.</i>
Arsenic.....	281,066	1,663,963	Rice.....	34,715,527	36,378,426
Beans.....	38,297,616	18,176,312	Samshu.....	1,502,941	2,070,278
Books, printed.....	73,948	107,464	Silk:		
Cigarettes.....	87,833	72,133	Cocoons.....	11,119,066	13,420,897
Cloth, native.....	291,466	516,800	Raw, wild.....	342,342	301,245
Cotton goods, Chinese:			Soda.....	375,326	650,636
Sheetings.....	= 5,680	= 28,190	Sugar.....	7,463,428	6,556,767
Yarn.....	12,242	13,174	Tallow.....	72,485	187,663
Cotton, raw.....	473,879	1,315,237	Tea.....	1,193,675	581,343
Flour.....	11,923,450	20,280,106	Tobacco:		
Hemp.....	476,022	741,209	Leaf.....	216,657	559,132
Oil, wood.....	1,879,290	1,944,460	Prepared.....	932,330	937,251

* Pieces.

In addition there were received through the native customs at Chefoo the following quantities of native products: In 1907, 113,943,095 pounds of beans, 4,739,455 pounds of silk cocoons, and 19,187,910 pounds of timber; in 1908, 176,800,358 pounds of beans, 2,783,557 pounds of silk cocoons, and 26,446,917 pounds of timber.

DECLINE IN IMPORTS.

Comparison shows a general decline in imports of all staples. At the same time this is not the case with imports of American piece goods, as these not only held their own but increased in every line but one, sheetings, which dropped from 354,204 pieces in 1907 to 313,835 pieces in 1908. When it is considered that the imports of piece goods as a whole fell off very considerably, this is encouraging. It is worthy of note that the imports of Chinese sheetings, manufactured

by steam factories in Shanghai, increased from 5,680 pieces in 1907 to 28,190 pieces in 1908, and that Chinese cotton yarn also showed an increase. The piece goods trade of Chefoo is done almost entirely through Shanghai.

Imports of woolen goods and metals showed a general decline in all lines. From an American viewpoint the most noteworthy imports of the articles classed as sundries by the Imperial Maritime Customs are flour and kerosene oil. The foreign flour imported in 1908, chiefly American, was about 70 per cent less than in 1907. To take the place of this American flour, nearly double the quantity of native flour imported in 1907 was purchased in 1908. This, taken together with the increase in the consumption of Chinese manufactured piece goods, shows the increasing tendency of the Chinese market to take native manufactures in preference to foreign, other things being equal. Under present economic conditions, however, the high rates for grain transportation from the interior to the mills at Shanghai and the keen competition of free foreign flour make it appear unlikely that the Chinese flour industry will ever be able to supply the home market.

IMPORTS OF AMERICAN KEROSENE—SILK AND OPIUM.

While imports of American kerosene oil during the year showed a slight decline from the 1907 figures, the sales of oil were probably much the same as in the previous year. A large stock is always kept on hand at this port, and imports are made comparatively seldom, but in large quantities. That the amount of oil sold should remain the same is interesting, as the price in Chefoo rose 25 to 30 per cent between October, 1907, and April, 1908. This is explained in part by the fall in silver exchange, and partly by business arrangements between the chief competing companies. Russian oil disappeared from the 1908 returns, leaving the field unequally divided between American and Sumatra oil, American oil constituting about 87 per cent of all imports of kerosene. The per capita consumption of oil in this region must be slowly rising, as the total trade of Chefoo in oil remains the same though Dalny and many points along the Tsingtau-Tsinanfu railway, formerly worked from this port, are now handled independently of Chefoo. A considerable quantity of oil purchased in this port still finds its way into those districts along the old overland and junk-trade routes.

The predictions of a large cocoon crop were realized, and a slight advance over the 1907 returns, themselves very high, was recorded. The natural result of this is seen in the increased exports of silk. Imports of opium fell off about 30 per cent as compared with 1907.

Japanese products again showed up very prominently in the returns. The close proximity of Chefoo to Dalny, Antung, and the Korean ports makes it a natural settling place for the Japanese, and they are consequently introducing their wares with great success.

INCREASE IN EXPORTS.

As opposed to the general depression in imports, exports from Chefoo showed a general increase, particularly noticeable in vermicelli and silks. Bean cake fell off owing to the competition of Dalny.

One of the most interesting features of the export business in 1908 was the building up of a trade in fresh beef between Chefoo and Vladivostok. It is largely in American hands, and, despite lately imposed likin taxes on cattle coming from the interior, seems to be doing well. Unfortunately there has been considerable disease among the cattle in this section. All cattle before being slaughtered for shipment have to pass a rigid veterinary examination by the Russian authorities. The exact nature of the disease, the most noticeable symptom of which is a high fever, has not been made known. It is widespread throughout the interior of the Province.

The quantity of the principal articles exported during 1907 and 1908 is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Almonds.....pounds..	296,191	396,333	Licorice.....pounds..	1,253,300	1,237,866
Bean cake.....do.....	133,057,908	129,625,466	Mats, rush.....number..	127,809	115,275
Beans.....do.....	5,196,800	2,646,800	Medicines.....pounds..	1,290,133	964,800
Beef.....do.....		1,171,200	Oils:		
Boots and shoes....pairs..	90,098	163,399	Bean.....do.....	1,291,733	1,064,000
Caps, felt.....number..	8,975	16,180	Groundnut.....do.....	135,333	228,000
Cattle.....do.....	2,359	6,566	Seed, sesa mum.....do.....	225,600	280,800
Clothing cotton.....pounds.	154,400	816,533	Silk, and silk refuse.....do.....	2,814,664	3,553,579
Dates.....do.....	5,306,266	6,489,066	Soda, native.....do.....	78,666	82,800
Eggs, fresh.....number..	17,928,101	20,865,807	Straw braid.....do.....	188,666	104,133
Fish, and fishery products,			Vermicelli.....do.....	24,275,333	29,949,733
pounds.....	5,302,532	4,912,399	Walnuts.....do.....	533,733	221,600
Groundnuts.....pounds..	18,528,932	23,635,200	Yeast.....do.....	226,133	496,866
Hides, cow.....do.....	241,066	207,066			

DECLARED EXPORTS TO UNITED STATES.

The value of the declared exports from Chefoo to the United States and island possessions during 1908 was \$132,343, made up as follows: Mules, \$1,317; pongee silks, \$130,883; vermicelli, \$143.

The silk trade between this port and the United States showed a gratifying increase of about 30,000 haikwan taels over the 1907 figures. The year was a prosperous one for all branches of this trade. From the returns at hand it seems that the steam filatures were unable to make much headway in their competition with the hand filatures. Late in the year the trans-Pacific steamship lines announced new rates, making a heavy increase in freight charges. As a result of strong representations made by the exporters of silk from the Yangtze Valley, the rates were reduced as regards standard silks, but up till the time of writing it is still in force as regards Shantung pongees. This, while it did not affect the exports for 1908, as the sales had been fixed in advance, cut down the exporters' profit to a nominal figure in many cases, and may be expected to cause an advance in price for 1909. Silk is now practically the only article exported from Chefoo to the United States.

A considerable number of mules were purchased in this Province during 1908 by officers of the Indian army remount department. As these were shipped via Weihaiwei and Tsingtau, they do not appear in the customs returns for this port. One shipment of mules was made from Weihaiwei to Manila.

MOVEMENT OF TREASURE—SHIPPING.

The imports of treasure, including gold, silver, and copper into Chefoo during 1908 were valued at \$2,829,265, of which \$2,817,573 came from Chinese ports and \$11,692 from foreign countries. Of the entire amount from both sources \$27,613 was gold, \$2,796,486 silver, and \$5,166 copper. During the same period the exports were valued at \$4,278,453, of which \$3,995,324 was shipped to Chinese ports and \$283,129 to foreign countries. Of the total exports \$331,898 was gold, \$3,939,603 silver, and \$6,952 copper.

The record of shipping for the year shows a slight falling off in the number and aggregate tonnage of vessels entering the port. Of the 2,549 entries, the total tonnage of which was 1,920,364, the United Kingdom was represented by 641 vessels of 759,602 tons, the largest tonnage of any country trading with the port. Japan, second in tonnage, sent a larger number of ships, the entries being 1,150 vessels of 501,795 tons; Chinese vessels, to the number of 486, with a tonnage of 387,637, entered. One American vessel and a small steam launch under the American flag and owned locally, made up the 5 entries credited to the United States, the aggregate tonnage represented being 2,149.

Of the carrying trade with foreign countries directly Japan has about 59 per cent, Great Britain about 16 per cent, and Germany about 11 per cent, the remainder being divided among Norway, Korea, China, Russia, and the United States, the latter with less than 1 per cent.

The port dues collected by the Imperial Maritime Customs at Chefoo amounted in 1907 to \$430,309, and in 1908 to \$407,610. During the same years \$49,571 and \$47,461, respectively, were collected by the native customs. There were during 1908 between fifty and sixty days when cargo could not be worked in the harbor on account of rough weather. In addition to the loss involved through demurrage, considerable damage was done to lighters. To remedy this state of affairs the foreign and Chinese merchants have asked the Government to devise some means for raising revenue to construct a breakwater. All the important firms, with one exception, have agreed to pay an extra tax of one-fifth of 1 per cent for a breakwater fund, should the Government take the matter up. While nothing definite has been done as yet, it is probable that a breakwater will be under construction within the next two years.

AGRICULTURAL AND COMMERCIAL PROSPECTS.

Owing to the complete failure of the snowfall this season (1908-9) in Chefoo and vicinity, it is feared that there will be a famine throughout the northern part of the Province during 1909. The central and southern regions have fortunately had sufficient snowfall to insure partial crops at least. Nevertheless, on account of the difficulty and great expense of transportation from the interior, it is always possible to have severe distress in one locality, while only some hundred miles away conditions may be but little out of the normal. Even a partial failure of the crops would embarrass two of Chefoo's staple industries—the manufacture of vermicelli and that of bean cake—both of which depend on the bean crop. Further, any rise in the price of foodstuffs means a lessened buying capacity for imports.

On the whole, 1908 has been a satisfactory year for Chefoo. Trade has shown signs of further recovery from the depression experienced immediately after the Russo-Japanese war, and high hopes are entertained for 1909. The persistent drought has, however, cast a shadow on the commercial outlook.

FOOCHOW.

By CONSUL SAMUEL L. GRACEY.

The value of the principal imports into Foochow during 1907 and 1908, respectively, is shown in the following table: .

Articles.	1907.	1908.	Articles.	1907.	1908.
Aniseed.....	\$2,743	\$1,783	Leather, and manufac- tures of:		
Beche de mer.....	64,351	61,257	Boots and shoes.....	\$966	\$269
Birds' nests.....	11,298	6,066	Leather.....	20,873	19,572
Boxes, fancy.....	3,280	463	Other.....	2,231	1,875
Braid, llama.....	5,582	4,711	Matches.....	60,722	46,706
Bran, rice.....	2,646	706	Match-making materials.....	5,138	945
Building material.....	10,060	2,552	Matting.....	37,542	29,425
Butter and cheese.....	1,718	1,152	Medicines.....	63,512	41,250
Candles.....	8,316	10,107	Metals:		
Cardamoms.....	4,038	5,233	Brass bars, rods, etc.....	6,162	4,789
Cement.....	1,640	3,185	Copper—		
Chemical products:			Bars, rods, etc.....	1,154	29
Sulphuric acid.....	5,794	1,522	Ingots and ore.....	113,183	122,023
Unclassified.....	1,614	908	Wire, etc.....	4,683	363
China ware.....	1,705	580	Lead, bars and pigs.....	92,678	91,975
Clocks and watches.....	11,810	5,074	Quicksilver.....	4,690	6,356
Clothing, hats, etc.....	12,134	4,250	Tin—		
Cloves and spices.....	6,965	6,227	Slabs.....	241,409	114,243
41,626	38,614		Plates.....	341	11,470
Dyestuffs and colors:			White metal.....	10,214	213
Aniline.....	22,710	2,321	Zinc—		
Bark, mangrove.....	3,801	6,588	Sheets and plates.....	4,403	275
Indigo.....			Spelter.....	1,290	
Artificial.....	8,503	9,115	Milk, condensed.....	2,041	1,412
Vegetable.....	5,938	1,611	Musical instruments.....	3,226	1,627
Sapanwood.....	1,314	1,426	Mushrooms.....	55	
Vermilion.....	7,084	4,667	Oils:		
Other.....	2,656	940	Engine, American.....	1,506	1,156
Electrical materials.....	2,013	1,199	Kerosene.....	325,201	450,892
Enamelled ware.....	3,807	2,373	Opium.....	1,818,864	1,242,236
Fans, palm-leaf.....	2,964	1,243	Paints and paint oil.....	6,548	4,550
Fish, and fish products.....	227,859	159,870	Paper.....	20,319	13,106
Flour.....	589,406	353,609	Pepper.....	11,511	11,613
Fruits, dried.....	5,672	7,334	Perfumery.....	2,663	1,924
Furniture.....	10,852	4,684	Rattans.....	19,945	14,009
Ginseng.....	52,366	15,706	Rice.....	512,680	4,807
Glass and glassware.....	15,680	9,195	Sandalwood.....	22,755	15,895
Glue.....	2,790	1,559	Seaweed and agar-agar.....	39,783	10,420
Graphophones, etc.....	1,012	337	Seeds.....	9,771	8,389
Haberdashery.....	2,406	388	Skins and furs.....	2,518	1,119
Hemp.....	9,844	5,506	Soaps.....	20,297	10,995
Hides, cow and buffalo.....	3,185	1,179	Soda.....	2,852	69
Hosiery.....	7,290	7,831	Stationery.....	7,558	5,141
Household goods, etc.....	17,810	12,906	Stores, marine and engi- neers'.....	2,762	4,211
Instruments and appa- ratus.....	4,159	1,603	Sugar.....	423,147	334,978
Iron and steel, manufac- tures of:			Telegraph materials.....	11,863	309
Anchors, anvils, chains.....	1,226	28	Textiles:		
Bamboo steel.....	5,881	744	Cotton goods—		
Bars.....	1,182	125	Alpacas, lusters, etc.....	3,458	4,066
Hardware.....	5,665	4,699	Blankets and cov- ers.....	4,039	1,157
Machinery and fit- tings.....	10,815	7,397	Cambrics, lawns, etc.....	14,169	2,938
Nails and rivets.....	4,344	2,220	Chintzes.....	14,921	7,955
Needles.....	4,662	1,537	Cotton flannel.....	8,390	762
Old.....	23,397	8,463	Drills.....	27,200	32,850
Plates and sheets.....	6,543	214	Fancy woven.....	3,998	1,300
Wire.....	2,249	179	Handkerchiefs.....	2,078	1,576
Other.....	8,854	911	Japanese cloth and crape.....	6,617	3,063
Isinglass.....	16,365	7,389			
Jade stone.....	104	5,852			
Lamps.....	23,253	19,026			

Articles.	1907.	1908.	Articles.	1907.	1908.
Textiles—Continued.			Textiles—Continued.		
Cotton goods—Cont'd.			Woolen goods—		
Lastings—			Blankets and rugs.	\$7,378	\$6,792
Plain.....	\$57,526	\$20,187	Camlets.....	12,429	4,280
Figured.....	25,114	13,081	Cloth.....	11,658	4,624
Muslins.....	14,169	2,988	Lastings.....	2,578	2,963
Shirtings—			Spanish stripes...	7,373	3,424
Gray.....	108,912	66,173	Yarn.....	30,578	22,766
Hongkong,			Other.....	6,458	5,494
dye.....	32,338	26,031	Timber, hard wood.....	5,070	5,763
White.....	40,455	39,202	Tobacco, and manufac-		
T cloths.....	144,108	67,751	tures of:		
Thread.....	13,409	8,704	Cigarettes and cigars..	12,369	4,189
Towels.....	6,090	3,490	Leaf, etc.....	701	745
Union and pon-			Toilet requisites.....	9,802	2,404
cho cloth.....	4,157	3,818	Toys.....	2,038	1,479
Yarn.....	650,289	63,196	Umbrellas.....	6,818	2,945
Other cotton.....	62,217	19,760	Varnish.....	4,118	5,944
Other mixtures..	4,813	4,215	Waters, mineral, etc..	2,627	2,664
Silks, and mixtures			Wines, beer, and spirits..	11,157	7,739
of—			Postal parcels.....	20,777	17,393
Piece goods.....	10,108	919			
Plaques.....	1,979	184			

The value of the chief exports from Foochow during 1907 and 1908 is shown, by articles, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Alum, white.....	\$3,200		Medicines.....	\$63,220	\$18,066
Bamboo and bamboo			Oils:		
ware.....	43,514	\$8,451	Aniseed, cassia, etc...	102,418	610
Bones.....	3,976		Bean and ground nut..	27,877	3,807
Books, printed..	4,556	1,512	Paper.....	724,998	30,322
Camphor.....	1,336,275	357,554	Provisions and vegetables.	472,540	139,922
China and earthenware..	7,309	10,480	Rape and vegetable seed..	15,428	
Clothing, boots, and shoes,			Seed cake.....	8,065	97,545
Chinese.....	9,173	4,827	Silk:		
Curlies.....	10,233	1,449	Piece goods.....	2,834	49
Feathers.....	19,040	20,496	Waste.....	2,422	
Fireworks.....	844	23,866	Tea:		
Fish and fishery products.	23,661	1,329	Black.....	2,944,977	2,794,789
Fruits:			Green.....	42,910	31,649
Dried and preserved..	155,856	50,257	Mixed.....	125,110	1
Fresh.....	119,912	5,285	Tea dust.....	9,440	386
Peel, orange and pom-			Tobacco.....	1,294	4,974
elo.....	11,403		Zinc.....	2,477	
Furniture.....	18,270	6,600	Wood, and manufactures		
Hemp.....	9,526	431	of:		
Iron, and manufactures of.	2,489	1,239	Timber.....	1,193,122	221,755
Joss sticks.....	3,322	1,551	Wooden ware.....	7,202	4,306
Leather.....	9,926		Postal parcels.....	2,689	2,826

The declared value of exports from Foochow to the United States during 1907 and 1908 is shown, by articles, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Camphor.....	\$74,585	\$5,056	Oil, camphor.....	\$49	
Drawn work, linen.....	2,661	3,644	Rushes.....		\$93
Household goods.....	814	1,461	Tea.....	540,997	483,319
Labels.....	196		Total.....	619,519	493,573
Lacquer ware.....	227				

HANKOW.

By CONSUL-GENERAL WILLIAM MARTIN.

The year 1908 will go down in the history of the Hankow district as one filled more or less with uncertainty and disaster. At the opening of the year the negotiation of a loan from British investors by the General Government for the building of a certain railway was widely discussed, the natives claiming that they could, and would, furnish the money themselves. After the loan agreement was completed, Hankow was affected by a tidal wave which swept down the Han River. Hundreds of lives were lost and much property destroyed. An epidemic of cholera next visited the cities of Hankow, Wuchang, and Hanyang and carried off, it is said, over 20,000 persons. That again was followed by such a drop in exchange as practically to stop all business for a short time. Two large native banks and 18 smaller ones failed and for a few days money could not be borrowed at any price.

As a result of these and other adverse circumstances, the net trade of the port of Hankow declined \$11,390,030 from the previous year's business, the total net trade for 1908 being \$80,667,074, against \$92,057,104 in 1907. Kiukiang also lost in trade, but other ports of this district managed to hold their own. Foreign imports at Hankow fell off \$1,577,804 and imports from native ports \$6,726,073, while exports of Chinese goods to foreign countries declined \$9,713,568, as compared with 1907. The gross and net trade for 1908 at Hankow and other ports in this consular district is shown in the following statement:

Imports and exports.	Hankow.	Kiukiang.	Ichang.	Changsha.	Yochow.
Imports of foreign goods:					
From foreign countries and Hongkong.	\$13,946,113	\$206,377	\$27,663	\$106,226	\$3,518
From Chinese ports.....	18,002,806	6,746,984	2,517,769	2,942,315	257,910
Total foreign imports.....	31,948,919	6,953,361	2,545,432	3,048,541	261,428
Reexported to foreign countries and Hongkong.....	91,794				
Reexported to Chinese ports.....	4,021,681	12,789	1,336,542	10,582	1,098
Total foreign reexports.....	4,113,475	12,789	1,336,542	10,582	1,098
Total net foreign imports.....	27,835,444	6,940,572	1,208,890	3,037,959	260,330
Imports of native produce.....	12,235,520	2,556,049	6,866,052	528,086	155,158
Reexported to foreign countries and Hongkong.....	1,853,838				
Reexported to Chinese ports.....	2,843,028	222,238	6,642,508	409	47,614
Total native reexports.....	4,696,866	222,238	6,642,508	409	47,614
Total net native imports.....	7,538,654	2,333,811	223,544	527,677	107,544
Exports of native produce of local origin:					
Exported to foreign countries.....	9,215,804	32,491		9	69
Exported to Chinese ports.....	36,077,172	10,915,898	3,683,649	2,643,831	1,610,360
Total exports.....	45,292,976	10,948,389	3,683,649	2,643,840	1,610,428
Gross value of the trade.....	89,477,415	20,457,799	13,095,133	6,220,467	2,027,024
Net value of the trade.....	80,667,074	20,222,772	5,116,083	6,209,476	1,978,312
Net trade of the port in 1907.....	92,057,104	24,269,900	5,009,670	5,833,706	1,083,326
Net trade of the port in 1908.....	76,803,714	18,184,808	3,466,217	4,233,447	567,670

IMPORTS AND EXPORTS, BY COUNTRIES.

Russian Pacific ports received the bulk of the merchandise exported from Hankow in 1908 directly to foreign countries, but the United States, including Hawaii, supplied the larger portion of the direct imports, with the United Kingdom ranking second and Japan third. The distribution of the imports from and the exports and reexports to foreign countries during 1908 is shown in the following table:

Country.	Imports of foreign goods from foreign ports.	Exports plus reexports to foreign ports.	Country.	Imports of foreign goods from foreign ports.	Exports plus reexports to foreign ports.
United States, including Hawaii.....	\$2,834,542	\$199,608	Netherlands.....	\$12,170	\$291,979
Australia, New Zealand, etc.....	44,538	.....	Philippines.....	511	.....
Austria-Hungary.....	49,049	11,309	Russia:	.....	.....
Belgium.....	770,242	813,082	European ports.....	67,162	673,715
British India.....	1,778,894	.....	Siberia.....	.....	17,431
Canada.....	4,095	.....	Pacific ports.....	2,601	4,796,578
Denmark.....	3,204	13,426	Singapore, etc.....	214,761	.....
Dutch Indies.....	824,712	.....	Spain, including Gibraltar.....	196	21,900
France.....	155,906	744,420	Tonkin.....	56,881	.....
Germany.....	598,911	878,333	Turkey and Persia.....	771	57,044
Hongkong.....	1,951,768	14,913	United Kingdom.....	2,354,245	1,254,991
Italy.....	3,408	621,021	All other countries.....	1,337	.....
Japan.....	2,216,209	761,786	Total.....	13,946,113	11,161,436

IMPORTS AND REEXPORTS OF FOREIGN ARTICLES.

In the following statement are given by principal articles the imports into and the reexports of foreign goods from Hankow during 1908:

Articles.	Imports.	Reexports.	Articles.	Imports.	Reexports.
Bags of all kinds.....	\$160,297	\$73,068	Cotton, manufactures of—	.....	.....
Belling machine.....	11,873	.....	Continued.....	.....	.....
Birds' nests.....	22,702	.....	Leatings.....	\$56,080	\$31,908
Books and charts.....	16,724	.....	Sheetings—	.....	.....
Building material and fittings.....	13,120	.....	American.....	63,806	7,623
Buttons, brass and fancy..	14,447	12,580	English.....	5,990	31,387
Candy.....	63,891	12,063	Japanese.....	3,386	.....
Cement.....	161,062	.....	Shirtings—	.....	.....
Chemicals and medicines:	.....	.....	Gray—	.....	.....
Chemicals—	.....	.....	English.....	83	266,592
Acid, sulphuric.....	17,657	.....	Japanese.....	4,636	.....
Other.....	12,225	.....	White—	.....	.....
Medicines—	.....	.....	English.....	126,706	341,436
Ginseng.....	35,696	.....	Dutch.....	.....	14,189
Other.....	121,377	16,921	T cloth—	.....	.....
Cigars and cigarettes.....	13,706	.....	English.....	33,773	.....
Clothing, hats, etc.....	10,835	.....	Other.....	1,656	.....
Coal.....	120,328	.....	Turkey reds.....	.....	18,796
Copper, and manufactures of:	.....	.....	Velvets and velveteens.....	.....	26,088
Ingot, slabs, and ore.....	2,061,173	724,065	Veneizians.....	.....	41,825
Bars, rods, wire, etc.....	19,198	.....	Yarn—	.....	.....
Cotton, manufactures of:	.....	.....	English.....	32,256	.....
Cambrics, lawns, and muslins.....	.....	10,010	Indian.....	877	299,611
Drills—	.....	.....	Japanese.....	352,780	441,874
American.....	1,528	19,687	Other.....	8,877	19,764
English.....	.....	8,155	Crucibles.....	13,020	.....
Japanese.....	48,641	7,746	Dyes and dyestuffs:	.....	.....
Flannel, American.....	.....	19,018	Aniline.....	14,545	15,861
Irish, white.....	.....	25,998	Indigo.....	.....	106,093
Italiana.....	158,789	3,470	Sapanwood.....	13,622	.....
Jeans, English.....	34,462	8,733	Vermillion.....	11,896	.....
			Electrical materials and fittings.....	290,449	6,481
			Enameled ware.....	15,896	.....

Articles.	Imports.	Reexports.	Articles.	Imports.	Reexports.
Fans, palm-leaf.....	\$41,460	.....	Seaweed.....	\$3,790	\$18,169
Fish and fish products:			Seeds:		
Beche de mer.....	16,176	.....	Anise, star.....	16,785	.....
Other.....	19,190	\$7,027	Cardamon.....	49,768	11,000
Furniture and materials			Silk, manufactures of:		
for making.....	22,072	.....	Piece goods and mix-		
Glass, window.....	29,763	.....	tures.....	16,371	19,610
Gunny cloth.....	20,520	.....	Plushes and velvets,		
Iron and steel, manufac-			silk mixed.....		12,481
tures of:			Soap.....	16,848	5,924
Bars.....	15,595	.....	Spelter.....	22,632	.....
Machinery—			Spices:		
Cotton gins and			Pepper.....	69,349	7,478
parts.....	25,167	.....	Other.....	5,493	.....
Other.....	931,607	3,300	Spirits, wines, etc.:		
Nails and rivets.....	17,695	11,805	Beer and porter.....	18,320	.....
Needles.....	26,218	15,410	Wines.....	20,379	.....
Old.....	21,876	.....	Spirits.....	5,079	.....
Pipes and tubes.....	312,139	.....	Stores:		
Rails.....	73,924	.....	Household.....	26,187	.....
Railway plant and			Marine and engineers'	5,534	.....
materials.....	868,909	.....	Sugar:		
Sheets, galvanized.....	16,490	.....	Brown.....	479,482	23,108
Tin plates.....	191,514	.....	White.....	46,132	21,033
Other.....	42,306	.....	Refined.....	335,524	127,018
Haberdashery.....	11,934	.....	Tea and tea dust:		
Lamps and lamp ware.....	33,836	.....	Ceylon and India.....	1,607,126	46,482
Lead in pigs and bars.....		24,052	Java.....	108,932	.....
Manganese.....	12,215	.....	Telegraphic materials.....	13,102	.....
Matches.....	42,705	.....	Tin:		
Match-making materials.....	76,554	.....	Foil.....	6,320	.....
Mats of all kinds.....	23,845	.....	Slabs.....		15,310
Metals n. e. s.....	17,111	.....	Umbrellas, Japanese.....	20,322	10,557
Nuts, betel.....	28,868	9,522	Wood:		
Oils:			Sandalwood.....	58,138	11,113
Engine.....	11,982	.....	Timber.....	237,468	.....
Gasoline.....	3,411	.....	Wool, manufactures of:		
Kerosene—			Braid, llama.....	58,796	.....
American.....	1,413,249	130,979	Cloth.....	15,013	25,603
Borneo.....	604,140	.....	Mixtures.....	31,242	30,868
Sumatra.....	288,437	.....	Yarn and cord.....	73,964	.....
Paper, and manufactures			Other.....	4,293	16,970
of:			Parcels post n. e. s.....	28,926	.....
Stationery.....	10,383	.....	All other articles.....	1,058,421	896,680
Other.....	44,082	.....		
Ribbons, silk and cotton.....	10,500	.....	Total.....	13,946,113	4,113,476

AMERICAN KEROSENE SHOWS STEADY GAIN.

It is difficult to obtain accurate information as to the amounts of foreign imports entered at Hankow, for this is an inland port and most of the foreign articles are tabulated in the customs returns as being imported from Chinese ports, without the country of origin, simply because they are transhipped at Shanghai. The imports of American kerosene increased during 1908, amounting to 18,606,118 gallons as compared with 16,292,261 gallons in 1907. Sumatra oil also increased by 2,571,801 gallons, while Borneo oil declined 3,394,008 gallons and Russian oil disappeared entirely from the list. The value of the American oil brought in from foreign and native ports is computed at \$2,449,440. The actual business in all oils during the year showed an increase over 1907, as this trade felt the effects of the prevailing commercial depression less than any other. Importers' prices during the year showed few variations, though the average price in taels was considerably higher in 1908 than for years past, due, probably, to the rate of exchange. American case oil ranged from 2.25 taels to 2.35 taels during the year; American bulk oil, 1.57 to 1.74 taels; Borneo bulk oil, 1.47 to 1.64 taels; and Sumatra bulk, 1.57 to 1.72 taels. The stocks carried forward to 1909 are computed at 11,340,000 gallons, a very large amount.

The American piece-goods market was very dull during 1908, and imports fell off sharply. Imports of American shirting declined from \$59,493 in 1907 to nothing in 1908; sheetings fell from \$151,365 to \$63,805; jeans, from \$7,915 to nothing; drills, from \$652,170 to \$1,528; and T cloth showed the small gain of \$1,108. These decreases were chiefly due to the overstocked condition of the market at the beginning of the year.

EXPORTS BY ARTICLES.

In the following statement are given the principal native articles of export and reexport from Hankow to foreign countries and to Chinese ports:

Articles.	Foreign countries.	Chinese ports.	Articles.	Foreign countries.	Chinese ports.
Abutilon.....	\$16,069	\$70,243	Hides and skins—Cont'd.		
Albumen.....		76,753	Land otter.....		\$19,189
Bones.....	49,516	14,612	Leopard.....		17,430
Books, printed.....		60,309	Raccoon.....		27,516
Braid, straw.....		83,061	Weasel.....		50,315
Brass, manufactures of.....		33,818	Other.....		13,006
Breadstuffs:			Iron and steel, manufactures of:		
Barley.....		26,713	Bolts, nuts, and rivets.....		20,973
Bran.....	4,902	105,907	Fishplates.....		28,033
Flour.....		254,424	Pans.....		104,326
Vermicelli.....		108,760	Pigs, etc.....	\$394,364	298,889
Wheat.....		777,368	Rails.....		429,378
Other.....		5,786	Spikes.....		18,968
Bristles.....	184,313	283,155	Tie plates.....		20,162
Chemicals, drugs, and medicines:			Lily flowers, dried.....		28,517
Arsenic.....		52,230	Mercury.....		46,768
China root.....		172,045	Munitions of war.....		52,839
Medicines.....		982,462	Musk.....		17,733
Potash.....		13,484	Oils:		
Other.....		18,117	Bean.....		298,674
Charcoal.....		10,355	Sesame and wood.....	347,122	3,040,288
Clothing, old.....		15,445	Tea.....		113,504
Coal.....		305,804	Other.....		8,077
Coir and coir ware.....		28,366	Oil cake:		
Coke.....		11,027	Bean.....	7,524	1,685,982
Cotton, and manufactures of:			Cotton-seed.....		38,773
Raw.....	25,884	984,251	Rape and vegetable.....		46,335
Nankeens.....		271,954	Sesame.....	1,168,601	4,424,883
Ribbons.....		11,751			658,306
Shirtings.....		191,564	Opium.....		
Yarn (Hankow).....		77,424	Ores and minerals:		
Dyestuffs.....		34,277	Antimony.....	348,493	
Eggs:			Gypsum.....	5,885	113,755
Albumen and yolk... ..	107,099	47,451	Iron.....	199,484	
Fresh.....		155,823	Lead.....	13,016	
Feathers.....		53,597	Zinc.....	53,903	
Firecrackers.....		21,915	Paper.....	4,474	148,872
Fruits and nuts:			Personal effects.....		164,636
Chestnuts.....		22,413	Pipes, brass and white metal.....		16,279
Dates.....		55,756	Ramie.....	89,471	930,002
Groundnuts.....		116,110	Rice.....		68,155
Persimmons, dried.....		35,309	Samshu.....		61,269
Walnuts.....		88,372	Seeds, apricot.....		14,990
White nuts.....		13,670	Silk, and manufactures of:		
Fungus.....		374,890	Raw—		
Gallnuts.....	151,099	364,624	White.....		45,992
Grass cloth.....		13,691	Yellow.....		1,179,922
Hemp twine and thread.....		13,353	Steam filatures.....		36,369
Hides and skins:			Wild.....		37,271
Cat.....		10,489	Cocoons and refuse.....		159,351
Cow, buffalo, etc.....	992,682	1,795,034	Headbands.....		15,848
Clothing—			Pongee (Honan).....		248,192
Goat.....		12,341	Ribbons.....		22,321
Hare and rabbit.....		17,720	Thread.....		29,852
Lamb.....		95,623	Waste.....		54,659
Sheep.....		39,886	Tallow:		
Doe.....		25,156	Animal.....		41,253
Goat.....	50,029	652,189	Vegetable.....	227,515	924,425
Lamb.....		319,948	Tea.....	6,017,490	6,397,262
			Tin.....		16,971

Articles.	Foreign countries.	Chinese ports.	Articles.	Foreign countries.	Chinese ports.
Tobacco, and manufactures of:			Wax.....		\$146,081
Leaf.....		\$431,142	Wood, and manufactures of.....		628,512
Prepared.....		1,165,965	All other articles.....	\$148,737	2,256,777
Cigarettes.....		28,219	Total.....	11,069,642	38,920,200
Umbrellas, paper.....		15,091			
Varnish.....		633,537			
Vegetables:					
Beans.....	\$461,960	2,057,204			
Rhubarb.....		10,418			

AMERICA A SMALL BUYER OF HIDES.

As so many hides and skins are shipped out of China every year, the Chinese officials at Wuchang a few years ago decided to utilize these articles themselves and compete with the foreign manufacturer in making leather. With that end in view they erected a tannery at Wuchang, across the river from Hankow, and secured the services of German experts to instruct their own people, later employing Japanese in place of the Germans. So far, however, the tannery has not been a success and it in no way competes with the foreign leather.

While there was a slight increase in the number of cowhides shipped to the United States during 1908, the United States took less than 6 per cent of the whole amount exported. In 1908 the United States, out of a total of 19,665,500 pounds of cowhides exported, took but 1,034,900 pounds. Shanghai received 4,373,200 pounds of these hides, and Europe 13,257,400 pounds. In 1907 the United States purchased 895,300 pounds of cowhides, Shanghai 4,305,500 pounds, and Europe 11,483,200 pounds. Inquiry was made of an American shipper as to the reason why so small a percentage of the hides shipped from Hankow went to the United States, and the reply was that, for one reason, American firms as yet take but slight interest in the China business. Ninety-five per cent of the firms in China doing business with the United States are European. Another reason is that many of these European firms are agents for steamship lines and get their freight from 10 to 20 per cent cheaper as a commission, and since they are European firms their respective countries have the preference in their business.

BRISTLES—WOOD OIL AND TEA.

During 1907 there were shipped from the port of Hankow 1,255,800 pounds of bristles. The United States took 148,800 pounds and Shanghai 107,700 pounds, while Europe took 695,400 pounds direct. During 1908 there were shipped from this port a larger amount by 25,066 pounds, yet the shipments to the United States dropped from 148,800 pounds in 1907 to 51,200 pounds in 1908. This decline is said to be due to the fact that manufacturers in the United States desire only bristles from 2 to 3½ inches long. In London the different lengths are sorted and sold at auction, so that one may buy just what is wanted, while if the bristles are bought in China they must be taken as they come.

The exports of wood oil to the United States in 1908 amounted to \$725,615, an increase of \$171,563 over 1907, but the increase in quantity was greater in proportion because of the large purchasing power of the gold dollar during 1908 as compared with the two preceding years. American varnish makers are learning the advantages of the use of this oil and to some extent it is taking the place of the old gum.

The total amount of tea exported to the United States during 1908 was valued at \$638,961, against \$517,161 in 1907 and \$243,698 in 1906. The total amount of tea of all kinds exported from Hankow during the year was \$12,314,752, and that to foreign countries \$6,017,490. Over half of the latter amount went to Russia alone, that country importing more than all the rest of Europe and America combined. It is conceded by experts that in flavor China tea is the peer of any tea in existence, and although the plants taken to India and Ceylon flourish their flavor does not equal that of tea grown in China.

Of the black tea exported from Hankow to foreign countries, Vladivostok took \$1,615,373 worth and Nicolaievsk \$1,153,276, while St. Petersburg, Moscow, Chelyabinsk, and Odessa combined took \$681,374 worth. The United States purchased \$51,227 worth, Great Britain \$460,297, France and Holland each less than \$15,000, and the remainder went in small quantities to other European and Asiatic ports. Of the black tea sent to other Chinese cities, Shanghai received by far the largest part, \$2,636,015.

DECLARED EXPORTS TO THE UNITED STATES.

The exports declared through the American consulate at Hankow for shipment to the United States during 1908 showed an increase of \$21,297 over the declared value for 1907. These figures differ widely from those compiled by the Chinese maritime officials because of the Chinese custom of crediting to Shanghai all goods sent to that port even when meant only for transshipment there for foreign destinations. The declared value of exports to the United States, by articles, during 1907 and 1908 follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Albumen.....	\$44,551	\$1,883	Household and personal effects.....		\$360
Antimony.....	27,445	141,677	Jute.....	\$16,167	6,366
Bristles.....	82,897	34,499	Lead ore.....	1,838	
Chemicals, drugs, etc:			Nuts, tung shu.....	651	
Arsenic sulphite.....		965	Oil, nut.....	554,052	725,615
Cantharides.....	632		Tallow, vegetable.....		744
Turmeric.....		105	Tea and tea dust.....	517,161	638,961
Egg yolk.....	268	1,157	Wool.....	3,794	
Furs:			Total.....	2,028,744	2,049,726
Mink.....		4,047	Returned American goods.....		215
Weasel.....	2,346		Grand total.....	2,028,744	2,060,041
Gallnuts.....	17,520	70,757			
Grass cloth.....	134				
Hides and skins:					
Calf.....	11,300	5,101			
Cow.....	119,496	152,648			
Goat.....	609,005	261,870			
Leopard and tiger.....	1,985	1,712			
Sheep.....	17,503	1,328			

SHIPPING AND REVENUE.

The revenue of the port of Hankow for 1908 exceeded that of 1906 by \$157,018, but fell \$218,321 below the 1907 collection. The loss was caused partly by decreased exports, but was largely due to the condition of exchange. The total duties amounted to \$2,127,545, of which \$523,584 were import duties, \$1,401,509 export duties, \$87,757 coast trade, \$30,534 tonnage dues, \$67,638 transit dues, and \$16,523 opium likin. The American flag paid \$253 for these various port charges; British, \$848,789; Japanese, \$310,693; German, \$263,173; Russian, \$156,132; and French, \$93,406.

The total number of vessels entered and cleared in 1908 at Hankow was 9,045, of 5,070,780 tons, the steamers entered and cleared numbering 3,869, of 4,708,101 tons, and the sailing vessels 5,176, of 362,679 tons. Of this total, however, 6,240 vessels were Chinese, of foreign and native type, and had an aggregate tonnage of 1,020,945. Of the foreign vessels, 1,332 were British, with a tonnage of 1,982,158; 951 Japanese, tonnage 1,344,634; 282 German, tonnage 336,255; 150 French, tonnage 271,776; 42 Norwegian, tonnage 50,298; 28 Russian, tonnage 51,526; 16 American, tonnage 7,376; and 4 Dutch, tonnage 5,812. It is reported that an attempt was made during 1908 to raise the rate of native passage between Hankow and Shanghai, but the Japanese line, heavily subsidized as it is, refused to make any change.

STEEL MAKING IN HANYANG.

Improvements which are being made to the plant of the Hanyang Iron and Steel Works, situated in the Province of Hupeh, at the junction of the Yangtze and Han rivers, will increase the capacity of the works to 800 or 900 tons of finished product per day. The plant has modern equipment and is driven by electric power. The Tayeh mines, which are located 70 miles nearer the sea than the steel plant, are about 18 miles inland from the river, but there is a railway with a good down grade to the river, and from these mines is secured the ore used by the steel works. The ore mined consists of magnetic and hematite iron ores containing about 65 per cent iron, and manganese iron ore with 10 to 25 per cent of manganese. Limestone is also found in abundance. The coal mines are located at Pinghsiang, Hunan Province. The coal is mined by up-to-date methods and brought down to the steel plant, a distance of 360 miles. All the coke needed in the furnaces is made from this coal and is found to be very satisfactory. The iron mines, coal mines, and steel plant all belong to one concern. It employs about 20,000 Chinese in all, and 20 Europeans at the steel plant and 15 at the mines. A piece of rail produced by this plant, 6 feet in length, with ends placed on supports 3½ feet apart, withstood a load of 22 tons for five minutes without permanent flection, and of 45 tons for six minutes with a fleche of only 3 millimeters. The same piece of rail supported three blows from a weight weighing 2,240 pounds falling from a height of 25 feet.

YANGTZE ENGINEERING WORKS—COLD STORAGE PLANT.

The plant of the Yangtze Engineering Works, Limited, of Hankow, is an offsprig of the Hanyang Iron and Steel Works, and is located

on the north bank of the Yangtze, 7 miles below Hankow City. It is intended to meet the demand for bridges and other steel and iron supplies required in the construction of China's various railroads. The company, which consists of Chinese only and which was organized in the autumn of 1907, now has a bridge-building plant, foundry, and machine and carpenter shops, supplied with electric power and modern machinery. In addition, it has under contemplation the construction of a floating slipway large enough to dock any vessels that ply the river, its intention being to add shipbuilding to its other industries. It is China's first attempt on a large scale to manufacture, in addition to rails, all the various devices that will be required by the railway enterprises of the Empire. There is but one foreigner employed, a bridge designer.

A concern known as the International Export Company came to Hankow two years ago and began the erection of extensive buildings. The greatest secrecy prevailed even after the works were completed and in operation, but it soon became evident that they were packing Chinese hogs and game for the English market. Pheasants, snipe, turkeys, and ducks come by the boat loads, are conveyed to the plant, and there frozen. Millions of eggs are frozen also. Two ocean refrigerating vessels are expected to carry the cargo thus produced, although the amount ready for shipment is not known, as everything has been carried on so secretly.

During 1908 seven bean-oil mills were in operation at Hankow, with a combined capacity of 17,450 cakes per day, but only one of them made even a small profit. The others were almost forced to go out of business. However, the business has not been given up, for two more mills, modern in equipment, with a combined capacity of about 3,400 cakes per day, will begin operation in 1909.

HANKOW GROWING—RAILWAY PROGRESS.

Notwithstanding the financial depression of 1908, Hankow continued to expand rapidly. Many houses are being built and land values are advancing to such an extent that prices are almost prohibitive. Chinese are building behind the foreign city, and even miles below it. Native business men are realizing the importance of mining, railway building, and manufacturing, and large amounts of machinery, which come chiefly from Europe, are now being received in anticipation of the demand for that class of goods which will be created by the rapid development of the country. No longer does one hear any opposition to railways. On the contrary there are maps now in the hands of Chinese showing various prospective lines, having their termini in Hankow, which could be advantageously built.

The Hankow-Peking line during 1908 passed from the Belgian syndicate control to that of the Chinese Government. The road is now run wholly by Chinese, and is earning a large profit. Movements are being made to push the Hankow-Canton line from the Hankow end. Surveys are being made for the Hankow-Szechuen line, which, when completed, will be practically the only outlet by which the rich mineral deposits of the Province can be brought down to deep-water navigation, and this line will also have its terminus in Hankow.

NANKING.

By CONSUL JAMES C. McNALLY.

The publication of the statistics of imports into and exports from the port of Nanking in 1908 will not tend to encourage American manufacturers to enter the local market with the hope of immediate returns. The figures, however, do not reflect the exact conditions, for hundreds of persons engaged in local trade, as well as consumers, visit Shanghai under highly improved conditions of travel and bring back thousands of dollars' worth of merchandise yearly, while others transport direct from Shanghai by boat, and these imports form no part of the Chinese customs estimate.

The following table shows the principal imports, by quantities, into the port of Nanking, according to the Chinese customs returns, during 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beche de mer.....pounds..	32,659	32,933	Iron and steel, manufac- tures of:		
Cigars and cigarettes, value.....	\$49,656	\$60,533	Machinery.....value..	\$12,760	\$17,841
Coal.....tons.....	15,525	27,863	Needles.....thousands..	20,691	24,210
Copper ingots and slabs:			Pig.....pounds.....	111,972	62,000
Japanese.....pounds..	3,542,133	1,801,200	Lead in pigs and bars, pounds.....	81,446	90,000
Other.....do.....	4,676,400	5,229,433	Matches, Japanese, gross..	125,150	155,989
Cotton, manufactures of:			Oil, kerosene:		
Chintzes and plain prints.....pieces.....	1,986	2,650	American.....gallons..	1,598,000	1,702,560
Drills, American, pieces.....	19,093	22,525	Russian.....do.....	30,000	502,000
Flannel.....pieces.....	7,822	6,092	Sumatra.....do.....		40,900
Italians.....do.....	16,929	16,673	Opium.....pounds.....	129,301	116,286
Jeans, English,do.....	15,060	16,679	Sandalwood.....do.....	110,506	\$17,716
Sheetings.....do.....			Soap.....value.....	\$17,036	\$7,390
American,do.....	20	1,020	Stores, household.....do....	\$6,627	
English.....do.....		726	Sugar:		
Shirtings.....do.....			Brown.....pounds.....	367,775	470,400
Gray.....do.....			White.....do.....	1,951,733	657,066
American, pieces.....	14,110	6,800	Refined.....do.....	6,252,703	5,652,500
English, pieces.....	100,779	102,287	Tin slabs.....do.....	37,191	43,066
White.....pieces.....	37,585	34,121	Umbrellas, cotton, pieces..	33,178	41,274
Yarn, Indian, pounds.	411,733	362,933	Wool, manufactures of:		
Dyes and colors, aniline, value.....	\$5,582	\$5,848	Cloth.....yards.....	6,137	8,584
			Long ells.....pieces.....	450	450
			Mixtures, union Ital- ian.....pieces.....	60	170
			Spanish stripes, yards..	8,329	5,550

IMPORT TRADE ABOUT HOLDS ITS OWN.

A comparison of the customs figures for 1907 and 1908 shows that most of the principal items of import from foreign countries held their own, some gaining slightly, others losing somewhat. In the kerosene trade, imports from the United States increased 104,560 gallons as compared with 1907, Russian oil did not appear at all, and imports of Sumatra oil amounted to 502,000 gallons. While the imports of pig iron fell off 49,972 pounds, other products of iron gained. Lead and tin likewise showed increases, but copper ingots and slabs amounted to 7,030,633 pounds, against 8,218,533 pounds in the preceding year. American cotton drills increased from 19,093 pieces in 1907 to 22,525 pieces in 1908. American sheetings also gained, but American gray shirtings fell off 7,310 pieces during the year. There was an increase of 102,625 pounds in imports of brown sugar, though white sugar imports declined from 1,951,733 pounds in 1907 to 657,066 pounds in 1908, and refined sugar lost 600,203 pounds.

EXPORTS BY ARTICLES.

In the following comparative statement are given by amounts the principal articles exported from Nanking, nearly every item showing a decided falling off in 1908 in comparison with 1907:

Articles.	1907.	1908.	Articles.	1907.	1908.
Brass ware.....pounds..	309,533	50,133	Seeds.....pounds..	288,266	117,600
Cotton, raw.....do.....	337,333	22,933	Silk, and manufactures of:		
Fans, paper.....pieces..	249,767	451,189	Raw—		
Feathers, duck.....pounds..	646,000	447,600	White.....pounds..	28,133	16,400
Hemp.....do.....	11,333	6,666	Yellow.....do.....	8,000	2,000
Hides and skins:			Cocoons.....do.....	44,400	15,733
Cow and buffalo,			Mixtures.....do.....	23,333	24,800
pounds.....	1,060,933	331,066	Piece goods.....do.....	431,333	362,400
Goat, untanned,			Ribbons.....do.....	5,886	7,333
pieces.....	601,062	211,483	Waste.....do.....	45,066	31,733
Leather strips.....pounds..	4,800	1,866	Vegetables:		
Medicines.....do.....	746,133	628,000	Beans and peas.do....	2,362,533	5,024,933
Rugs, dogskin.....pieces..	3,121	12,271	Turnips, salted.do....	5,327	1,788,535

There were no declared exports to the United States from Nanking in 1908.

WHY AMERICANS DO NOT GAIN TRADE.

During 1908 China suffered from a financial crisis which no doubt influenced commercial and industrial conditions. The many loans calling for interest payments, the interest on the Boxer indemnity, the expenses incurred in the establishment of a new Government, as well as money required for various improvements, coupled with the fluctuating price of silver, all tended to make the year anything but profitable. It must be remembered, however, that though American producers have not participated to a great extent in Chinese trade, much of this can be attributed to their own negligence in not striving along consistent lines to win favor in open competition with their European rivals. The indiscriminate shipping of goods of all sorts, without proper investigation of the class of merchandise wanted and the methods to be employed to bring it to the consumer's notice having been made, will always prove a losing game. The consumer is the same the world over in that his desire to get the best class of goods for as little money as possible will influence him in the selection of his purchases.

In the United States dealers resort to every known device to acquaint the people with the merits of their products and their low prices, while these same firms are seemingly content to ship goods to China, sold or consigned, to remain on the shelves of local shops unadvertised, awaiting the eye of the man who is looking for the goods. Why should American manufacturers not devote themselves to building up an oriental trade with the same spirit that characterizes their efforts in their own country? Do they expect that the goods will sell themselves, or are they relying on their exclusive agents to blaze the way for their products?

FOREIGN AGENTS REPRESENTING AMERICAN INTERESTS.

As much attention should be given to the standing and capability of the exclusive agent handling the goods as to the article itself. A peculiar trade condition which obtains in China and the existence of

which tends to limit the scope of American commercial advancement, is the unusual fact that American firms of known standing employ foreign managers to push their goods. These foreign representatives do not display the enterprise and business acumen of the American; they are wholly unacquainted with the merits of American products; and, while it is always possible that they smother their national likes and dislikes in favor of their American employers, the natural trade rivalry, so keen in the Far East, should at least advise caution. For many reasons the handling of American goods should be done by Americans. It must not be forgotten that when a foreigner assumes the management of an American branch house in China he naturally looks to his own country for the employees needed in the conduct of the business, and will invariably purchase articles for his own use and not in stock from his native land.

The American old-line insurance companies located in China are also managed by foreigners, as well as the so-called American bank, The International Banking Corporation. As an example of American enterprise might be cited the advent of two young men from the United States who entered into a contract with a Shanghai insurance company of comparatively recent organization, and although they had to learn the alphabet of the insurance business, they entered into new and previously thought to be impossible territory and have written millions of dollars worth of insurance and practically driven out the old-line companies from their district.

NEW METHODS NEEDED.

To bring the trade of the United States to the position it should enjoy in China there must be put into the market articles of standard make and universal repute; they should be advertised so the consumer may know what these products are and where they may be found; active Americans educated in American methods should be placed in charge of American firms in China, and American trade will increase and compete favorably with that of its competitors. Inquiry in Shanghai fails to show an American in charge of a British, German, French, or Japanese house, and yet Americans turn over their business to foreign agents to exploit their goods in a country where competition is most keen. Some will probably offer the excuse that the foreign agent employed has been in China for years and knows the local business methods. Those business methods are often antiquated and when a new system is adopted or a departure is made from the old conservative methods of transacting business the result is a substantial success.

SHANGHAI.

By CONSUL-GENERAL CHARLES DENBY.

The gross value of foreign imports into Shanghai during 1908 as compared with 1907, when converted from taels into United States gold at the exchange rate of 79 cents for 1907 and 65 cents for 1908, shows a decrease of \$10,381,847. This may be attributed to the overstocking of the market, especially in piece goods; to the drop in exchange, which lessened the purchasing power of silver; and to the general trade depression. There were also direct shipments from foreign countries to Tientsin, Newchwang, Hankow, and other ports,

diverting to these channels trade that had previously been supplied through Shanghai as a distributing center. While the decrease in foreign imports appears to be but half of that of 1907 when compared with 1906, it can not be deduced that there was any improvement in the actual volume of trade during 1908, because the low rate of exchange, which increased the value of foreign goods in terms of silver by 25 to 30 per cent, and the continually rising price of opium on hand inflated values, but did not affect tonnage, which contradicts the improvement over 1907 shown on the face of the figures.

The gross and net values of the trade of the port for 1907 and 1908, taken from the customs returns, were as follows:

Imports and exports.	1907.	1908.
Imports of foreign goods:		
From foreign countries.....	\$125,297,301	\$114,527,908
From Chinese ports.....	1,106,994	1,464,540
Total foreign imports.....	126,404,295	116,022,448
Reexported to foreign countries and Hongkong.....	6,704,175	7,243,581
Reexported to Chinese ports.....	89,586,283	85,777,816
Total reexported.....	96,290,458	93,021,397
Total net foreign imports.....	30,113,837	23,001,051
Imports of Chinese produce, chiefly from northern and Yangtze ports.....	80,941,840	61,473,844
Reexported to foreign countries.....	53,274,142	53,618,736
Reexported to Chinese ports.....	16,623,066	21,910,657
Total native reexports.....	69,897,228	75,527,393
Total net native imports.....	11,044,612	15,946,451
Exports of native produce of local origin:		
Exported to foreign countries.....	32,502,190	28,805,063
Exported to Chinese ports.....	15,427,215	21,818,098
Total exports of native produce of local origin.....	47,929,405	50,623,160
Gross value of the trade of the port.....	255,275,540	258,119,452
Net value of the trade of the port, i. e., foreign and native imports and native exports of local origin, less reexports.....	89,087,854	89,570,662

UNSETTLED MONEY MARKET.

The unsettled state of the native money market, the lack of confidence which prevailed throughout the year, and the exchange with gold-standard countries were additional hindrances to the development of trade. The exchange rate of the haikwan tael averaged but 65 cents for 1908, against 79 cents United States gold in 1907. There must also be added the depreciation of the subsidiary silver coins, one Mexican dollar exchanging for 111.4 copper cents or 1,200 copper cash. This depreciation in copper, the exchange medium of the poorer classes of China, had a serious effect upon the purchasing power of the laboring masses, as it compelled them to pay 20 to 25 per cent more in copper as the equivalent of the silver price.

IMPORTS BY ARTICLES.

By reason of its position as a distributing center, Shanghai receives a great variety of imports, both native and foreign. The principal articles imported in 1907 and 1908 are shown by quantities, in the following table:

Articles.	1907.		1908.	
	Foreign.	Native.	Foreign.	Native.
Beans..... hundredweight.		160,420		119,419
Boots and shoes..... pairs.	130,890		5,542	
Breadstuffs:				
Flour—				
Wheat..... hundredweight.	545,215	39,740		70,940
Potato..... do.		11,544		30,620
Wheat..... do.		58,664		401,400
Cement..... do.	538,308		540,136	
Charcoal..... do.		221,843		230,797
Chemicals, drugs, and dyes:				
Aniline..... value.	\$223,378			
Indigo, liquid..... hundredweight.	42,648	29,134	45,712	27,350
Opium..... do.	20,954	7,664	18,291	14,498
Soda..... do.	33,506		43,969	
Coal..... tons.	351,993	112,560	483,839	141,053
Clocks and watches..... value.	\$227,237		\$92,880	
Clothing..... do.	\$217,483		\$100,499	
Cotton, and manufactures of:				
Raw..... hundredweight.	71,584	19,080	74,633	95,307
Canvas and cotton duck..... yards.	447,246		153,304	
Drills..... pieces.	23,044		20,914	
Flannel..... do.	3,243		123,263	
Handkerchiefs..... dozen.	257,459			
Italians..... pieces.	1,169,172			
Jeans—				
American..... do.			15,575	
English..... do.			142,007	
Prints..... do.	133,799			
Shirtings—				
Dyed—				
Figured..... do.	13,530			
Plain..... do.	128,751		15,243	
Gray, plain—				
American..... do.			146,238	
English..... do.			687,211	
Native..... do.		17,106		16,580
White, plain—				
Dutch..... do.	46,356		35,256	
English..... do.			69,698	
White, figured, brocaded, etc..... do.	38,212		1,084	
T cloth—				
English..... do.	77,469			
Indian..... do.			75,685	
Japanese..... do.	20,453		3,845	
Turkey reds and cambrics..... do.	77,536			
Velvets and velveteens..... yards.	310,020		810,704	
Yarns..... hundredweight.	156,144	655	9,081	3,411
Dates, red and black..... do.		102,121		166,036
Eggs..... number.		52,774,700		55,466,700
Fans, palm leaf..... do.	2,591,878		3,898,275	
Fruit, fresh..... hundredweight.		190,539		220,984
Glass, window..... boxes.	43,743		5,542	
Gunny bags..... number.	96,343	517,703		1,001,274
Gunny and Hessian cloth..... yards.	775,924		1,582,806	
Haberdashery and millinery..... value.	\$151,080		\$141,229	
Iron and steel, manufactures of:				
Angle..... hundredweight.	42,585		30,903	627
Bars, blooms, rods, etc..... do.	89,242	131,992	218,943	265,227
Galvanized sheets and plates..... do.	47,167		41,889	
Hardware..... value.	\$221,566		\$128,536	
Machinery..... do.	\$909,529		\$827,163	
Nails..... hundredweight.	11,296		13,039	
Rails..... do.	40,249	146,717	257	174,089
Sheets and plates..... do.	147,585	13,212	62,942	13,000
Tinned plates..... do.	167,552		67,521	
Lamps and lamp ware..... value.	\$119,611		\$139,532	
Matches..... gross.	1,476,024		1,746,370	
Mate, straw and rush..... pieces.	1,963,800		1,867,727	
Medicines..... value.		\$289,901		\$301,803
Metals, manufactures of:				
Copper ingots and slabs..... hundredweight.			10,320	
Lead pigs and bars..... do.	20,467		29,617	
Oil cake, bean..... do.		113,156		345,335
Oils:				
Engine..... gallons.	83,984		494,173	
Kerosene—				
American..... do.	13,550,827		21,582,878	
Borneo..... do.	4,296,566		2,653,548	
Russian..... do.			1,099,227	
Sumatra..... do.	5,050,491		2,729,577	
Wood..... hundredweight.		82,568		86,250

Articles.	1907.		1908.	
	Foreign.	Native.	Foreign.	Native.
Paints..... hundredweight.....	17,961		15,365	
Paper:				
Packing, printing, etc..... do.....	155,409	2,892	118,032	12,540
Stationery..... value.....	\$183,914		\$123,003	
Pearls..... do.....	\$138,062		\$195,145	
Perfumery..... do.....	\$21,507		\$42,728	
Photographic materials..... do.....	\$53,607		\$60,256	
Provisions:				
Butter and cheese..... do.....	\$133,244		\$108,870	
Milk, condensed, in tins..... dozen.....	40,020		56,664	
Soap..... value.....	\$347,916		\$279,248	
Spirits, wines, and malt liquors:				
Beer and porter..... do.....	\$95,806		\$64,444	
Spirits..... do.....	\$96,634		\$93,456	
Wines..... do.....	\$96,244		\$105,555	
Stores, household..... do.....	\$106,037		\$94,359	
Sugar:				
Brown..... hundredweight.....	376,127	187,104	326,909	165,843
Refined..... do.....	184,300	21,863	141,732	40,107
Tobacco:				
Cigars..... value.....	\$198,941		\$199,871	
Cigarettes..... do.....	\$1,096,227		\$567,560	
Leaf and prepared..... hundredweight.....		89,590		105,904
Umbrellas..... value.....	\$183,729		\$70,899	
Wood, and manufactures of:				
Firewood..... hundredweight.....		486,784		469,597
Hard wood—				
Beams and logs..... cubic feet.....	749,031		263,249	
Planks..... do.....	599,385		397,526	
Sandalwood..... hundredweight.....	20,671		24,451	
Soft wood, planks..... square feet.....	30,665,901	4,403,941	23,965,520	5,729,817
Teak..... cubic feet.....	99,494		127,930	
Wool, manufactures of:				
Cloth..... yards.....	148,635		99,826	
Lastings..... pieces.....	10,764			
Spanish stripes..... yards.....	44,485		156,140	
Woolen and cotton mixtures..... do.....	3,313,906		127,362	

Imports of kerosene from America showed a gain of more than 8,000,000 gallons, while those of Borneo and Sumatra oil declined. Russia entered the Shanghai market with shipments amounting to 1,099,227 gallons in 1908, having supplied none the year before. The increase in imports of metals is ascribed to the development of local industries, but the falling off in flour was probably due to overstocking, higher freight rates from the United States, and the relative cheapness of rice.

OPIUM TRAFFIC—PUBLIC OPINION A FACTOR.

The value of the opium trade increased in 1908, due to increased cost and low exchange, although the quantity actually imported was less than in 1907. The monthly sales of Bengal opium in Calcutta by the Indian government were reduced during 1908, as was also the export of Malwa opium from Bombay, and these two causes had a temporary effect upon the Shanghai market, but the principal reason for the decreased traffic was Imperial legislation. The first edict designed to suppress poppy cultivation and the opium habit was issued in September, 1906. Since then there has been noteworthy action taken by the officials, and public opinion has been decidedly influenced by the contention of the new student element and the better classes that the use of opium causes the race to deteriorate. Pamphlets and speeches to this effect were published by the Anti-Opium League and other societies, and opium lamps and pipes were

destroyed in the fervor of public demonstration. In June, 1907, the opium dens in the native city of Shanghai were closed, and in July, 1908, 25 per cent of the opium dives and shops in the international settlement and French concession were closed, the places being chosen by lot. In October, 1908, an institute for the cure of opium smokers was opened, and by the end of the year 100 cases had been successfully treated.

There is a yearly average of nearly 18,000 hundredweight of native opium brought in which is not accounted for in the customs returns, so that the decrease in the imports is more than offset by the native supply; but the rise in price and the antiopium agitation have diverted it to other purposes than smoking.

EXPORT DEMAND FOR SILK PRODUCTS.

The export trade was stimulated by the continual drop in exchange and fairly good harvests. The increase in the total exports of local origin over 1907 amounted to \$2,693,755, due mainly to the demand for silk products. After the recovery in the United States from the financial crisis of October, 1907, large orders were placed and prices rose to their normal level. Raw tsatlées, which have been the main export to Europe in the past, are now being replaced by steam filature silks, for which there has been a strong demand in the United States and for which the prices paid are high in comparison with those for other silks. During 1908 there were three steam filature plants opened.

Exports of raw cotton decreased 352,846 hundredweight as compared with 1907, the crop being 20 per cent below the average, which was due to excessive rains. The accumulated stocks carried over from 1907 were exhausted by July, and the mills had to import raw cotton from India. The exports of cotton yarn showed an increase of almost 100 per cent over those of 1907.

The principal articles shipped from the port of Shanghai during 1907 and 1908 are shown, by quantities, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beans.....cwt..	79,447	120,752	Machinery.....value..	\$41,517	\$37,924
Books.....do..	27,827	29,329	Medicines.....do..	\$112,208	\$91,922
Boots and shoes, silk and cotton.....pairs	214,435	138,444	Oil, peanut.....cwt..	307,595	381,535
Braids, straw.....cwt..	17,187	16,272	Peanuts.....do..	30,949	64,777
Breadstuffs:			Preserves.....do..	13,611	10,808
Flour (Shanghai mill).....cwt..	725,905	1,004,240	Rice.....do..	1,139,081	2,213,216
Wheat.....do..	147,015	46,376	Seed cake.....do..	419,957	392,595
Carpets.....pieces	19,958	16,860	Seed, cotton.....do..	328,131	125,351
Cigarettes.....cwt..	34,475	44,713	Sheep and goats, number	35,313	377,179
Cotton, and manufactures of:			Silk, and manufactures of:		
Raw.....cwt..	932,985	587,139	Raw—		
Nankens.....do..	75,161	85,816	White.....cwt..	11,015	13,135
Sheetings.....pieces	86,304	212,596	Re-reeled.....do..	19,567	20,061
Yarn.....cwt..	248,528	467,985	Shanghai steam filature.....cwt..	16,273	17,617
Earthenware and pottery.....cwt..	72,027	72,708	Cocoons.....do..	8,819	9,273
Eggs.....number	81,724,000	99,249,800	Caps.....number	133,194	164,882
Furniture.....value	\$97,577	\$53,642	Piece goods.....cwt..	11,801	12,645
Hides, cow and buffalo.....cwt..	14,891	11,080	Waste.....do..	14,847	9,790
Lard.....do..	23,609	31,015	Tea:		
			Black.....do..	263,765	225,113
			Brick.....do..	414,850	285,729
			Green.....do..	372,041	394,483
			Wool.....do..	10,496	11,853

SATISFACTORY TEA CROP.

There was a general improvement in the tea crop of 1908 as compared with that of 1907, especially in the green, Hyson, and young Hyson varieties, in which the yield was greater by about 20 per cent. Exports of green tea increased 22,442 hundredweight, most of this going to Ratoun, but it is reported that native merchants sustained losses on account of low prices. Black tea exports declined 38,652 hundredweight. The Shanghai market, however, deals only with what is left after the main stock has been disposed of at Hankow. The total exports of tea were: To foreign countries—black, 222,553 hundredweight; brick, 283,508 hundredweight; green, 374,379 hundredweight; to Chinese ports—black, 2,560 hundredweight; brick, 2,221 hundredweight; green, 20,104 hundredweight; totals—black, 225,113 hundredweight; brick, 285,729 hundredweight; green, 394,483 hundredweight. In 1907 the totals were 263,765, 414,850, and 372,041 hundredweight, respectively.

TRADE WITH THE UNITED STATES.

There were heavy declines in practically all of the more important articles exported to the United States, the total for 1908 falling almost \$6,000,000 behind that of 1907. The chief articles declared through the Shanghai consulate for shipment to America were:

Articles.	1907.	1908.	Articles.	1907.	1908.
Albumen.....	\$151,901	\$71,116	Iron and steel, manufactures of:		
Beeswax.....	14,826		Pig iron.....	\$153,830	\$36,000
Braids, straw.....	627,770	407,379	Lorchas steel.....		60,000
Bran.....		11,670	Other.....	3,454	819
Bristles.....	15,421	12,566	Jute.....	2,627	13,900
Camphor:			Mats and robes, dogskin.....	94,712	31,275
Crude.....	14,991	5,989	Metals, and manufactures of:		
Oil.....	161	96	Antimony.....	31,590	42,511
Cotton, and manufactures of:			Copper ingots.....		60,044
Raw.....		66,910	Other.....	6,667	2,146
Nankeens.....	1,823	12,991	Musk.....	77,430	27,119
Other.....	9,012	1,684	Nuts, gall.....	52,742	20,630
Feathers.....	86,980	27,523	Oils:		
Furs:			Nut.....	48,150	44,844
Dressed.....	35,782	13,794	Wood.....	18,462	249
Undressed—			Other.....	413	2,444
Marmot.....	12,798	10,308	Rhubarb.....	21,221	14,063
Mink.....	34,114	20,646	Silk, and manufactures of:		
Weasel.....	64,991	14,497	Raw.....	6,628,108	4,785,336
Other.....	11,162	4,757	Wild.....	222,697	464,880
Hair.....	527	13,425	Pongees.....	48,373	81,792
Hats:			Other.....	8,229	11,386
Rush.....	42,968	4,302	Tea.....	3,426,891	1,954,891
Straw.....	12,346	6,546	Wool.....	507,917	410,158
Other.....	1,745	2,444	All other articles.....	675,424	46,791
Hides and skins:			Total.....	14,734,853	9,321,646
Cow and calf.....	284,820	19,343	Returned American goods.....	512,963	94,752
Goat.....	1,203,025	455,520	Grand total.....	15,247,816	9,416,428
Sheep.....	35,467	934			
Other.....	19,021	3,874			
Household and personal effects.....	24,256	21,903			

Albumen exported to the United States decreased in 1908 by \$80,785, which was due principally to the effect of the enforcement of the pure-food laws, and camphor shipments declined heavily by reason of the Formosa merchants, whose shipments go through

Shanghai, holding out of the market in an attempt to raise prices. The unusual shipment of \$60,044 worth of copper ingots was perhaps due to the high prices ruling in the United States during the fall of 1908. Raw cotton entered the list of exports to the United States to the value of \$66,910, two American firms in Shanghai desiring to establish a market in the United States for "short end" yarns.

Feathers, hats, hides, pig iron, nuts, rhubarb, skins of various kinds, braids, and wool all showed pronounced decreases. Tea declined \$1,472,000, but this was due more to a fall in prices than to decreased quantity. The \$60,000 worth of Lorchas steel went to Manila, as did most of the lumber and practically all of the nankeens. Exports of pongee silks increased \$33,419, owing to their growing popularity in the United States, and wild silk recorded large shipments in the second half of 1908, the increase for the year amounting to \$242,183. The markets of other countries for this commodity were congested from overstocking in 1907.

REVENUES DECREASE—REVIVAL IN SHIPPING.

The revenue collection of 1908 showed a decrease of nearly \$1,500,000, or over 25 per cent, as compared with 1907, the total being \$6,248,792 United States currency. This is the least annual revenue collection since 1903. The decline was principally in revenue from imports. Export duties showed a gain when expressed in taels, but when turned into United States gold, a loss is shown in comparison with 1907 because of the difference in the rates of exchange during the two years.

The net tonnage of steam vessels entered and cleared increased 276,807 tons, while that of sailing vessels declined 107,416 tons in 1908. The United States ranked seventh in number of steamers and sixth in tonnage, Great Britain being second in numbers but first in tonnage. The following table shows the number and tonnage of steamers entered and cleared during 1907 and 1908, by countries, and the total of sailing vessels:

Flag.	Number.		Tons.	
	1907.	1908.	1907.	1908.
Steamers:				
American.....	152	146	820,448	845,086
Austrian.....	50	50	197,564	192,804
British.....	3,829	3,985	6,830,569	7,055,789
Danish.....	62	56	94,017	69,954
Dutch.....	40	36	78,656	76,530
French.....	806	652	1,221,674	1,277,213
German.....	920	798	1,704,630	1,565,599
Japanese.....	3,647	3,552	2,857,988	2,901,937
Norwegian.....	325	374	335,547	351,156
Russian.....	96	88	184,853	169,390
Chinese.....	5,994	5,591	2,140,971	2,243,354
Other.....	15	9	21,039	15,941
Total steamers.....	15,936	15,325	16,487,946	16,764,753
Sailing vessels.....	36,768	33,256	1,057,577	950,161
Grand total.....	52,704	48,581	17,545,523	17,714,914

Competition for the decreased trade resulted in low freight rates and an unprofitable year for navigation companies, although the months of October and November brought a temporary revival.

RAILWAY IMPROVEMENTS.

The final section of the Shanghai-Nanking railway was completed and the first through train run in March, 1908, making the distance of 193 miles in about 5½ hours, including stops. Foreign goods, upon which the regular import and inland-transit duties have been paid and for which exemption certificates are held, can now be shipped free of further duty between the treaty ports of Soochow, Chinkiang, Nanking, and Shanghai. The total mileage of the road, including loops and sidings, is 230 miles of single line, the average cost per mile having been \$43,569, inclusive of land and equipment. The freight on this road is mainly cocoons and silk refuse from Wusich.

In April, 1908, the Chinese Government turned over to the provincial governments of Kiangsu and Chekiang the control and management of the Shanghai-Hangchow-Ningpo railway. The Kiangsu portion is open to traffic from Shanghai to Sungkiang, a distance of 22 miles, and the remaining 15 miles to Fengching will soon be completed. The Chekiang portion is completed between Hangchow and Kashing, and much of the track and bridge work between the latter city and Fengching is finished.

The extension of railways about Shanghai and the connection, in the near future, of this section with the north by the Tientsin-Pukow line via Nanking will broaden the commercial field of this port.

STREET CAR SYSTEMS—TRADE-MARKS.

During 1908 two lines of electric street railway were opened, 26 miles in the international settlement and 9 miles in the French concession. It was expected that the operation of street cars would throw great numbers of rickshaw coolies out of employment, but there was a decrease of only 3,769 in the number of licenses issued in 1908 as compared with 1907, which was not a great difference when the general trade depression of the year is taken into consideration. The French company owns 28 cars, 20 of which are in active service, and carries an average of 7,450 passengers daily. The line in the international settlement owns 65 cars and carries an average of 30,000 passengers per day.

At present the sole advantage of registering trade-marks with the registration office is the right of priority which it gives, but when the new law comes into force registration will apply to the whole Empire, and the simultaneous granting of trade-mark rights to two owners will be impossible.

SWATOW.

By CONSUL ALBERT W. PONTIUS.

The trade of Swatow in 1908 was unsatisfactory. During the early part of the year several large native firms failed, and various small stores and companies collapsed as a result. The piece-goods shops lost heavily by reason of congested stocks. The importation of bean cake declined toward the end of the year because of large supplies carried over from 1907, although the total imports of this article for the year as a whole increased more than \$1,000,000 over the 1907 imports. The abundant crops of beans harvested in Man-

churia decreased the market value of this commodity 25 per cent. Business with the Straits Settlements was not satisfactory, mainly because of the almost prohibitive rates of exchange toward the close of 1908, and remittances from emigrants in the Settlements, Bangkok, and Saigon showed a large decrease. A severe typhoon visited Swatow and the surrounding districts during October, and the autumn rice crop was so severely damaged that but half a crop was harvested. The orange trees also suffered heavily, and the crop eventually gathered was short in quantity and poor in quality.

As a result of these and other causes and the depression of commerce throughout the Empire generally, imports of foreign goods amounted to but \$9,466,589, as compared with \$14,463,564 in 1907, \$11,543,404 in 1906, and \$10,768,735 in 1905; and exports of native produce were valued at \$9,075,723 in comparison with \$11,245,427 in 1907, \$9,585,169 in 1906, and \$10,057,255 in 1905. The gross and net trade of Swatow for 1908 and 1907 is shown in the following statement:

Imports and exports.	1907.	1908.
Imports of foreign goods:		
From foreign countries and Hongkong.....	\$14,172,261	\$9,160,343
From Chinese ports.....	291,303	306,246
Total foreign imports.....	14,463,564	9,466,589
Reexported.....	212,959	118,559
Total net foreign imports.....	14,250,605	9,348,030
Imports of Chinese produce.....	11,458,473	13,153,966
Reexported.....	1,133,326	1,110,116
Total net native imports.....	10,325,147	12,043,870
Exports of native produce of local origin:		
Exported to foreign countries.....	4,769,584	4,008,540
Exported to Chinese ports.....	6,475,843	5,067,183
Total exports of native produce of local origin.....	11,245,427	9,075,723
Gross value of the trade of the port.....	37,167,464	31,606,298
Net value of the trade of the port, i. e., foreign and native imports and native exports of local origin, less reexports.....	35,821,179	30,467,623

IMPORTS BY ARTICLES.

With the exception of kerosene oil, almost all articles in the list of imports showed a decrease. The decrease in the imports of foreign rice from \$3,153,667 in 1907 to \$175,170 in 1908 was due to large local crops in the fall of 1907 and to shipments from the Yangtse, although the state of semifamine which prevailed in the spring of 1907 compelled large imports of rice from abroad and unduly increased the figures for that year. The decrease in imports of piece goods seems to have been caused by the general wave of depression that trade in general suffered. The increased use of native sugar was doubtless the cause of the decline of \$105,007 in the purchases of the foreign product. The extraordinary increase in the imports of kerosene from 4,242,535 gallons in 1907 to 7,451,584 gallons in 1908 marked the completion of the Standard Oil installation, and indicates the enormous business in this oil now being vigorously pushed throughout the surrounding country by this American company

and the Asiatic Petroleum Company (Limited). These two firms supply oil to the consumer directly instead of through native dealers.

The principal articles imported into Swatow from foreign countries in 1908 were, in quantities, as follows:

Articles.	Value.	Articles.	Value.
Bags.....	\$28,965	Iron and steel, manufactures of—	
Boots and shoes.....	7,268	Continued.	
Brass and yellow metals.....	65,955	Old.....	\$16,103
Candy.....	11,218	Machinery and fittings.....	9,946
Cement.....	5,259	Railway plant, and materials.....	9,630
China ware.....	4,996	Tinned plates.....	27,799
Clocks and watches.....	7,123	Isinglass.....	5,119
Clothing.....	28,122	Lamps and parts.....	27,201
Coal.....	230,847	Lead, pigs and bars.....	8,927
Cotton, and manufactures of:		Leather, and manufactures of.....	54,270
Raw.....	18,661	Matches.....	145,096
Cambrics, lawns, etc.....	9,426	Medicines:	
Chintzes and prints.....	19,700	Ginseng.....	40,864
Drills.....	4,089	Other.....	97,842
Flannel—		Milk, condensed.....	17,079
Japanese.....	28,629	Mushrooms.....	7,924
Other.....	30,843	Oil, kerosene:	
Italians.....	80,723	American.....	426,288
Jeans.....	17,876	Sumatra.....	321,423
Lastings—		Opium.....	1,960,499
Plain.....	98,058	Paper.....	41,006
Figured.....	30,784	Pepper.....	20,922
Shirtings—		Rattan.....	22,034
Dyed.....	6,361	Rice.....	175,170
Gray.....	186,566	Saltpeter.....	14,831
White.....	416,646	Seeds.....	10,768
T cloth—		Soap.....	14,831
English.....	28,296	Spirits, wines, etc.....	17,339
Japanese.....	1,270	Stores, household.....	12,904
Thread.....	39,455	Sugar:	
Towels.....	39,864	White.....	59,456
Turkey reds.....	12,730	Refined.....	39,354
Velvets.....	20,084	Tea.....	5,331
Woven, fancy.....	8,804	Tin, in slabs.....	395,968
Yarn.....	2,204,074	Tobacco:	
Dyes:		Cigarettes and cigars.....	23,631
Aniline.....	35,281	Leaf, etc.....	24,462
Indigo, artificial.....	67,966	Tobaccoists' sundries.....	7,518
Vermillion.....	9,890	Umbrellas:	
Mangrove bark.....	14,742	European.....	10,182
Other.....	26,646	Japanese.....	5,478
Enameled ware.....	5,244	Varnish.....	10,281
Fish, and fishery products:		Wool, and manufactures of:	
Beche de mer.....	46,858	Blankets and rugs.....	7,227
Other.....	188,354	Brads, llama.....	11,148
Flour.....	531,739	Camlets.....	12,305
Furniture, and materials.....	47,246	Cloth.....	12,103
Glass and glassware.....	12,435	Lastings, etc.....	8,793
Glue.....	14,688	Mixtures.....	15,964
Hemp.....	23,271	Spanish stripes.....	11,383
Horns, deer.....	9,409	Yarn and cord.....	28,302
Hosiery.....	9,934	All other articles.....	487,051
Iron and steel, manufactures of:			
New.....	48,382	Total.....	9,466,589

ENGLISH MANUFACTURERS LEAD MARKET IN TEXTILES.

In shirtings the English manufacturer had a clear field, the American article making no showing whatever. Since the indigo-dyeing industry was transferred to the north there has been a falling off in the trade in white shirting, and gray shirting imports decreased from \$213,567 in 1907 to \$186,566 in 1908. The trade in drills and jeans was not large, but here also the English products were foremost. American jeans are admittedly superior in quality to the English, but the cheapness of the latter appeals to the Chinese buyer. In T cloths only two kinds were imported, and they were of English and Japanese manufacture, the total imports increasing slightly over 1907. In cotton flannel the Japanese article led in imports, though

the steady and regular trade has heretofore been held by the English product, purchases of which fell from \$115,151 in 1907 to \$59,472 in 1908. The imports of velvets were furnished by the English, German, and French, ranking in the order named.

The cotton-yarn trade is now practically in the hands of the Indian exporter. The yarn is chiefly used to manufacture nankeens, a once flourishing industry in the Swatow district, with a large export business. The introduction of cheap cotton flannel and flannelette, mostly Japanese, has cut into this industry. Locally a small effort was made during the past few years to foster the trade; foreign-made hand and treadle looms were imported and the cloth put up into lengths similar to the Japanese goods. Native purchasers seem to prefer a cloth of some 12 yards by 18 inches in original packages, to the cutting of the large pieces everywhere imported.

Generally speaking, the English article had a clear monopoly in woolen goods, only a small share being furnished by the German, French, and Japanese manufacturers.

SOURCES OF OTHER FOREIGN IMPORTS.

The English exporter led in the iron and steel trade, although imports of old and new iron and mild steel declined from \$107,712 in 1907 to \$64,485 in 1908. Lead to the value of \$8,927, as compared with \$9,942 the year before, and tin amounting to \$395,988, against \$590,351 in 1907, were imported, chiefly from Penang and Singapore, while the trade in tinned plates, which fell from \$35,492 in 1907 to \$27,799 in 1908, went to German firms. In beche de mer the trade was about equally shared by Manila, Singapore, and Japanese exporters, but the total for the year was \$25,852 less than in 1907. The trade in llama braid is held exclusively by the Germans. The British Tobacco Company during the year had a clear field for its cigarette trade. In clocks, the English, Japanese, German, and American manufacturers ranked in the order named. The American manufacturer, by adopting more systematic and practical methods, could build up a much better trade in this article throughout China. The watch trade was shared between the Germans and the British. Considerable clothing was imported during the year from the United States, although the bulk of the shipments were English and German.

Coal came chiefly from Japan and Indo-China, and declined from \$333,850 in 1907 to \$230,847 in 1908. Mangrove bark was purchased mainly from Penang, and German firms had a monopoly of the aniline dye trade, and also had the best of the artificial indigo and vermilion trade. Flour was imported from Hongkong and from the United States, the former holding but a small share in the trade, which declined in 1908 to \$531,739 from \$628,863 in the previous year. The furniture imported was mainly of Hongkong manufacture. Ginseng came from Japan and from the United States, the latter producing the better variety, but imports of this article declined heavily, amounting to \$40,864 in 1908 against \$95,164 in 1907. German glass and glassware continue to predominate. Hemp came chiefly from Manila. A good trade in hosiery was held by German exporters, as was also the case with lamps and lamp ware, American and British firms sharing in the latter. Singapore and Penang ranked foremost in the leather trade, although the manufactured products of this article were of Japanese origin. The match trade is now entirely

in the hands of the Japanese, but there was a decrease of \$53,392 in imports of matches in 1908 when compared with 1907. The medicines imported also came chiefly from Japan.

American condensed milk held first place in imports of this article, although the trade was shared by English and German firms as well. German and Japanese paper was most favored by the trade. The railway plant and materials imported during the year came principally from Japan, and were for the Chao-Shan Railroad, which was extended during 1908 to I Chi, a distance of about 2 miles. Household stores usually come from the United States, Germany, and England, and the imports during 1908 were shared about equally by these countries. Most of the sugar came from Hongkong and Java, but imports declined from a total of \$203,817 in 1907 to \$98,810 in 1908. The umbrella trade was in the hands of the Germans, the English, and the Japanese, the latter catering to the cheaper trade. English and German exporters also furnished the better part of the imports of wines, beer, and spirits.

TRADE IN OPIUM.

There was a decrease of 9,467 pounds in quantity and \$53,012 in value in the imports of foreign opium during 1908. Merchants claim that the smallness of the decrease was due to the buying in of stocks of raw opium by wealthy confirmed smokers in anticipation of the time when opium will be no longer obtainable. Of the foreign opium imported rather more than 50 per cent is said to be consumed in the districts of Chaochowfu and Chiayingchow, the remainder going overland to the borders of Fukien, Hunan, and Kiangsi Provinces. In contrast to the decrease in the imports of the foreign drug, there was an increase of nearly 25 per cent in receipts of native opium. The cultivation of the poppy has been entirely stopped in 5 out of the 8 districts in which opium was formerly produced in this neighborhood, and reduced to some extent in 2 more since the issue of the antiopium edicts. In Swatow the practice of opium smoking is discredited, and is no longer indulged in publicly. Many proclamations against the practice have been issued, but the new regulation that smokers must register and carry bamboo licenses, to be produced when purchasing the drug, has had a deterring effect.

NATIVE IMPORTS—EXPORTS BY ARTICLES.

In addition to the imports of foreign goods, native produce was brought from other parts of China to the value of \$13,153,986, an increase of \$1,695,513 over 1907. The principal items forming this native trade and their value in 1907 and 1908 were as follows:

Articles.	1907.	1908	Articles.	1907.	1908.
Bean cake.....	\$2,919,981	\$3,316,301	Medicines.....	\$183,952	\$131,156
Beans.....	1,215,249	1,270,599	Oil, bean and peanut ...	72,570	124,371
Breadstuffs:			Peanuts.....	92,615	70,573
Flour, Shanghai mill..	(a)	17,189	Rice.....	2,806,534	2,369,248
Vermicelli.....	181,162	18,171	Samshu.....	266,032	168,617
Wheat.....	132,096	86,284	Tobacco, leaf.....	76,955	48,753
Cotton, raw.....	149,619	107,216			

a Not given.

Exports of native produce to foreign countries were valued at \$4,008,540 in 1908, against \$4,769,585 in 1907 and \$4,396,105 in 1906. The value of the principal articles which made up this trade in 1908 is shown in the following table:

Articles.	Value.	Articles.	Value.
Bamboo and bamboo ware.....	\$88,144	Nankeens.....	\$54,288
Bean cake.....	29,537	Oil, bean, peanut, wood, etc.....	136,605
China ware, etc.....	284,660	Paper.....	782,965
Clothing, Chinese.....	136,306	Provisions and vegetables:	
Eggs, fresh and preserved.....	154,111	Beans.....	143,914
Fans.....	12,272	Lard.....	27,223
Feathers.....	28,609	Other.....	235,159
Fireworks.....	26,593	Ramie.....	26,424
Fish and fishery products.....	83,411	Samshu.....	27,834
Fruits and nuts:		Seed, rape.....	27,945
Fruits—		Silk, manufactures of:	
Fresh.....	272,256	Piece goods.....	9,413
Dried and preserved.....	140,097	Other.....	15,512
Peanuts.....	70,378	Sugar, brown.....	47,752
Ginger.....	8,040	Tea.....	193,259
Grass cloth.....	82,310	Tobacco, leaf and prepared.....	122,492
Hair of all kinds.....	75,406	Vermicelli and macaroni.....	33,240
Joss sticks.....	104,139	All other articles.....	328,942
Jute.....	57,680	Total.....	4,008,540
Medicines:			
Camphor.....	12,819		
China root.....	16,973		
Other.....	111,833		

DISTRIBUTION OF EXPORTS TO FOREIGN COUNTRIES.

Bamboo and bamboo ware to the value of \$88,144 were shipped to Saigon, Bangkok, Penang, and Singapore, this amount being \$12,826 less than the 1907 shipments. Java and Japan took the bulk of the beans and bean cake. The camphor exported was manufactured in the Changchou district, and was shipped to European countries and the china root went to Bangkok and Singapore. The china ware, which is manufactured at Chaochowfu, was shipped to the Chinese settlements in Hongkong and in points in the south, the trade falling \$47,722 behind the total for 1907, and the exports of Chinese clothing, boots, and shoes were destined for the same places. Hongkong and Singapore took the bulk of the shipments of eggs, but this total also showed a decline from the figures for 1907. The export trade in fans is small, and all shipments went to Hongkong agents for transshipment to the United States and European countries. The greater part of the fish and fishery products, the total shipments of which fell from \$117,360 in 1907 to \$83,411 in 1908, went to Hongkong, Singapore, and Bangkok, and the same was true of the exports of fruits, Saigon also sharing in the latter. The grass cloth was all shipped to Hongkong and Singapore, the former transshipping the larger part of its imports to Europe. The exports of peanuts went chiefly to Hongkong, where machinery is installed to extract the oil. The trade in hair of all kinds was shared by the United States and European countries. The joss sticks and medicines went to Hongkong, and, together with the exports from the Canton district, helped to supply the demand by Chinese throughout the world. The nankeen trade was monopolized by Saigon, Singapore, and Bangkok buyers. Java, Penang, and Singapore took the bulk of the paper, but shipments fell from \$1,308,506 in 1907 to \$782,965 in 1908. Shipments of oils of

various kinds went to the same places, Hongkong coming in for a share of the latter. There was also an equal distribution of the trade in provisions, vegetables, and samshu to the same countries. The silk piece goods and silk products found their way through Hongkong to European countries. The black tea exported went chiefly to England, while the leaf tobacco was purchased by the United States and England, the total exports of both leaf and prepared tobacco declining from \$676,959 in 1907 to \$122,492, and the vermicelli and macaroni trade went entirely to Singapore, Penang, and Bangkok.

Ramie cloth appeared for the first time as an article of export during 1907, and it would seem that in it the port will find a product that can successfully replace Swatow's former staple—sugar. The industry is confined to the Chaoyang district, and is not yet extensive. The plants grow readily and can be cut three or four times a year.

With the exception of the direct shipments to Singapore, Penang, and Bangkok, practically all of the exports of all kinds sent to foreign countries went to Hongkong for transshipment to their various destinations.

TRADE WITH THE UNITED STATES.

Because of the practice of Swatow merchants exporting chiefly to Hongkong for transshipment to the various foreign countries, no exports to the United States were declared through the American consulate in 1908. Of the total imports of kerosene oil, amounting to 7,451,584 gallons, valued at \$747,711, the American product constituted 4,152,884 gallons, valued at \$426,288, or nearly 56 per cent of the whole. The imports of American clarified ginseng amounted to \$29,398, and a steady trade in this article should be experienced from now on. The American variety has tonic medicinal properties not possessed by the Manchurian root, although the better grades of the latter command fabulous prices in some instances. In flour, the American product constituted the major share of the total imports. Although the customs statistics do not give the figures for the imports from the United States, local information places the amount at nearly 500,000 quarter sacks in 1908, valued roughly at \$487,500. The imports of American piece goods were not sufficient to merit mention. A permanent and steady market has been acquired by the English manufacturer, and it is only by the use of such practical methods as direct representation and the display of samples that the American manufacturer can expect to get a foothold in this trade. American firms obtained only a small share in the trade in clocks, clothing, lamps, and lamp ware, but American condensed milk led all others. American shipments of household stores come in increasing quantities, and, with more attention shown to the particular wants of the local consumers, a splendid trade should be built up in this line.

SHIPPING ABOUT NORMAL—MANY NATIVE PASSENGERS.

The number of vessels entering and clearing from the port of Swatow in 1908 showed a slight decrease from the total for 1907, 2,375 having registered through the customs in 1908 as compared with 2,396 during the previous year, but the tonnage showed a small increase, from 2,689,212 tons in 1907 to 2,748,598 in 1908. The

British and German companies showed an improvement in trade, while the reverse was felt by the Chinese, Dutch, and Norwegian shipping interests. The French flag did not appear during the year, while the Japanese companies about held their own. The German company had a monopoly of the coolie traffic to Bangkok, but during the latter part of 1908 a Chinese company was formed in Bangkok to run a line of steamers between that city and Swatow, in opposition to the German line. The steamers chartered by the Japanese being Norwegian, the decrease in arrivals flying the latter flag is accounted for. Inland navigation showed a slight increase in the number of trips and tonnage, 9,393 vessels of 264,463 tons having entered and cleared in this traffic in 1908 as compared with 9,122 vessels of 242,311 tons the year before.

There were 617,131 native passengers outward bound and 587,949 natives returning to Swatow during 1908. Included in this number were 38,376 passengers to the Straits Settlements, but only 435 returning. Bangkok was the destination of 44,773 and 32,404 returned from that port. Hongkong received 13,001 of the departing natives, and 56,945 passengers came in by way of that city. The emigration and return of Chinese coolies to Bangkok has always been continuous. The steamers arriving semiweekly carry their regular quota of time-expired laborers and those departing their newly engaged ones. Apart from the shipping industry, a lucrative trade along commercial lines at both shipping ends has arisen as a result, the thousands of coolies resident in Siam being responsible for the steady exports of local products to that country. The peculiar feature of the emigration to the Straits Settlements is that, although 130,000 coolies have departed for that country during the past three years, statistics show a return of less than 500.

COMPLICATED EXCHANGE SYSTEM.

Swatow can claim the most complicated system of exchange in China. In the majority of commercial and other transactions of this port the financial end is transacted with Hongkong, and bills on that city must be purchased in local currency. The native currency is the Taiping or Swatow tael. There are two different dollar currencies, known respectively as the "dragon" and the "miscellaneous" dollar, and 737½ Taiping or Swatow taels are equal in value to 1,000 dragon dollars. In local trade among Chinese, the Chinese standard is 700 Taiping or Swatow taels per 1,000 local miscellaneous dollars, and in transactions involving foreign merchants the foreign standard is 727 taels per 1,000 miscellaneous dollars. Chinese sub-coin or small money, usually Kwangtung or Hongkong coins, are quoted as 720 Taiping or Swatow taels, equaling \$1,000 in small money. The local, so-called "chopped dollar" has at times been quoted at a 6 per cent discount below the Hongkong dollar. The chopped dollar is chopped by the native banks in the interior with a steel punch, stamping a chop in Chinese on the coin and generally giving it a somewhat hollow shape. Through continuous chopping and scraping the dollars decrease in value from dragon dollars to miscellaneous dollars, and as the latter are not current in Hongkong or in Amoy and other ports of China this precludes the exportation of the disfigured coins to those places. The only notes at present

current are the dragon-dollar notes issued by the Taiwan bank (Japanese), and those issued by the different Chinese banks, which are quoted at 700 Taiping or Swatow taels, equal to 1,000 miscellaneous dollars.

REVENUES DECREASE SLIGHTLY—MUNICIPAL MATTERS.

The dues and duties collected at the port of Swatow during 1908 aggregated \$996,827, or \$222,545 less than in the previous year. Import duties, tonnage dues, opium duty and likin, and transit dues all showed decreases, but export and coast trade duties gained. The British flag paid \$662,148 of this total collected; German, \$122,398; Japanese, \$97,519; Norwegian, \$10,226, and Dutch, \$7,130. The Imperial post-office returns showed a satisfactory increase in all branches. Several new money-order offices and postal agencies were opened during the year. The local police force was much improved during 1908. It was organized originally by the merchants, but in 1906 was taken over by the Taotai and placed under the control of a deputy official, who deals with small cases. During 1908 new stations were established, and stricter discipline and more practical methods instituted.

The electric light company, which was formed in 1907 with a capital of \$100,000 Mexican, did not prove a success. The plant from the outset was not sufficiently powerful, and the system broke down in bad weather. All attempts at resuscitation appear to have failed. During 1908 there was some talk of constructing an electric railway between Swatow and Chenghai, but some difficulty was experienced in raising the necessary funds.

The establishment of schools more on the western system during the past few years has been a feature worthy of note. Schools of the new order have increased in number, particularly in the Kityang district, Chinese classics, history, the mandarin dialect, English, geography, arithmetic, etc., being taught. At first the lands and other property of monasteries and temples were annexed to provide the new schools, and public levies were made in various ways. Leading men in local communities also contributed, and a considerable amount of money was secured and spent in fitting up buildings and employing teachers.

REVIVAL LOOKED FOR IN SWATOW'S COMMERCE.

Swatow ranks fifth in commercial importance when the various ports of China are gaged by their customs returns. This means that Newchwang, Chefoo, Nanking, Foochow, and Amoy are of less commercial importance. From personal observations and from opinions freely expressed by both Chinese and foreign merchants, it is certain that the port is to experience in the future a commercial activity that will be highly satisfactory to all concerned. The bulk of the foreign import trade will continue to come through Hongkong. The piece-goods trade, as soon as the expected commercial revival takes place, will take on a new lease of life, and direct orders from the various European markets are sure to be increased. The English manufacturer has obtained a foothold in the trade of the port, and if the various articles of American export are to make any showing

it behooves the American merchant to have his Hongkong agents pay more attention to local requirements, not by attempting to work up trade through the easy and careless method of correspondence, but by periodical tours of the various ports made by efficient men who, through careful study of the particular wants of the Chinese consumer, would be in a position to secure a foothold in the trade now so easily held by other foreign manufacturers. The establishment of local agencies is not necessary, but competent men, loyal to the introduction of American manufactures, are absolutely essential to obtaining successful results.

TIENTSIN.

By CONSUL-GENERAL E. T. WILLIAMS.

Tientsin shared in the general trade depression that overspread the Far East last year. Several factors combined to produce this condition of affairs. Foremost among them was the great decline in the exchange value of silver, which had already become pronounced in the autumn of 1907. The unprecedented fall of 20 per cent in October, November, and December, 1907, had severely checked the import trade by the beginning of 1908, and, although silver appreciated slightly in the spring, it began falling again in May and continued to decline slowly but steadily until the end of the year, when the Tientsin tael was worth $2\frac{1}{4}$ cents less than at the close of 1907.

The importers found themselves at the beginning of the year with large stocks on hand, which it was impossible to sell for enough to cover the greatly increased cost in silver, and numerous Chinese merchants, who had contracted for goods three months before, refused to accept delivery on their arrival. Some of these Chinese merchants were merely commission agents, without capital of their own, and really unable to take delivery of the goods ordered. A great deal of speculation has taken the place of legitimate trading since the outbreak of the Russo-Japanese war. Competition, too, has been keen, and there has been a great deal of overtrading. Some foreign firms seem to have been very careless in extending credit.

The export trade ought to have been stimulated by the cheapness of silver, and during the last quarter of the year much improvement took place, but during the spring and summer the demand for the staples of Tientsin was unfavorably affected by the financial troubles in the United States and elsewhere. At the beginning of the year, too, some exporters were really injured by the sudden and great decline that had taken place in silver, since they were compelled to compete abroad with goods purchased at a gold price 20 per cent under that which they had paid.

CURRENCY COMPLICATIONS AFFECTING TRADE.

The trade of Tientsin has been further hampered by the condition of the currency. The legal-tender currency of Tientsin in all large business transactions is the hua pao silver sycee, weighed on the hong ping scales. This silver for many decades has been issued at a fineness of 0.992, and 105 hong ping taels of such silver have been

accepted by the Government as the equivalent of 100 haikwan or customs taels. Previous to 1900 the melting shops, which issued this sycee, were licensed by the customs taotai, who thus maintained a supervision over them. There was, however, no public assay office. Just before the Boxer outbreak, the establishment of such an office was undertaken, and the assayer appointed, but the disturbances of 1900 and the overthrow of the local government prevented his entrance upon his duties.

After the Chinese recovered control of the local government in 1902, nothing further was done in this direction, and even the licensing of the smelters was not required, as had formerly been the case. Consequently, there was no control of these shops. The result was a gradual deterioration in the quality of the sycee issued, some of it assaying as low as 0.965. On February 15, 1908, the customs taotai published a notification to the effect that on and after March 1, 1908, hua pao sycee of less than 0.992 fineness would not be accepted in payment of duties. This notification was modified a few days later by one requiring all payments in hua pao sycee, of whatever quality, to be reckoned at the uniform rate of 107 hong ping taels to 100 haikwan taels, thus making an extra charge of 2 per cent for exchange.

This notification was rescinded on October 1, 1908, and the old rate of exchange, 105 to 100, was restored. In the meantime, the Chinese authorities had established a public assay office, and, while accepting hua pao sycee at the old-time rate, they refused to accept any which did not bear the mark of the assay office, and the merchants were compelled to pay the Chinese banks one-half per cent premium to obtain such sycee. This refusal to accept any sycee that did not bear the mark of the assay office left a large amount of sycee in the foreign banks, which had practically become demonetized.

During the last three months of the year negotiations were had as to the redemption of this sycee, and on December 29 the viceroy informed the consular body that he would replace with standard sycee, and without loss to the foreign banks, all sycee that bore the mark of a Tientsin melting shop, but that he would not redeem any other. This very fair proposition was presented to the foreign banks for their consideration, and was accepted by them, but the exchange has not yet (March 8, 1909) been effected.

COINAGE OF SILVER.

Silver dollars have been minted at the two Tientsin mints for some years past, having nominally the weight and fineness of the Mexican dollar, i. e., 27 grammes and 0.900 fine, but really made a trifle lighter and not up to the standard in fineness. As a result the Mexican dollar has practically disappeared from Tientsin. The difference between the Mexican and the Tientsin dollars, at first very slight, has gradually increased, so that during the past ten years the provincial dollar has declined in weight from 27.15 grammes to 26.49, and in fineness from 0.900 to 0.850.

The imperial dollar, coined at the imperial mint here, which has been introduced recently, is of better quality. In fineness those examined were over standard, varying from 901.5 to 904, but on the other hand they are rather light, weighing only 26.6 to 26.7 grammes.

Closely connected with this situation of the silver coinage, and also affecting the commercial prosperity of the port and that of this consular district, is the overissue of the copper 10-cash piece, nominally worth one Mexican cent, but in reality not more than eight-tenths of that. The money of the masses in China is not silver; it is copper, or, more properly, brass.

Since the Boxer trouble, the old-fashioned brass cash, a circular disk, with a square hole in the middle, has almost entirely disappeared from Tientsin. When the minting of the 10-cash bronze pieces began in 1900, they at once found a ready circulation, for there was a great lack of small change, yet even these pieces were of too large a denomination to suit the needs of the laboring classes, to whom one-tenth of one Mexican cent was an appreciable quantity. But the new 10-cash piece was not worth as much as 10 of the old cash, and the latter, in spite of official prohibition, were hoarded or melted down, and so to a great extent disappeared.

Meanwhile the issue of the 10-cash pieces, worth only four-fifths of that amount intrinsically, was discovered to be so profitable that all the provinces wanted mints, and quite a number of them began to flood the Empire with these coins. Since the Government did not guarantee the token or nominal value of the coin, the result could have been foreseen. For a time in Tientsin and Peking in 1907 a Mexican dollar exchanged for 150 of them, instead of 100, and the prices of the necessities of life increased correspondingly, a very real hardship to the poorer classes.

GOVERNMENT BUYS COIN.

The Imperial Government on February 15, 1908, sought to relieve the situation at Peking by an edict appropriating 500,000 taels for the purchase of the coins at a rate higher than that of the market, and on February 22, by a proclamation forbidding the increase of prices. On March 14, another edict improved matters by stopping the coinage of these copper pieces, and the viceroy gave assistance by prohibiting the entrance into the province of copper coins from other parts of the Empire. Even now, however, the local dollar exchanges for 125 to 127 so-called cents. Even the 10-cent silver piece is not received at its face value, but one must pay 10 dimes and 6 or 7 copper cents for a Mexican dollar.

The retail merchants in the interior towns, therefore, who have sold their goods for copper pieces, find it difficult to meet their obligations in Tientsin, which are reckoned in silver, just as the Tientsin merchants who have disposed of their wares for silver find it difficult to meet their obligations to foreign creditors, which are payable in gold. This is especially true of those who live in other provinces, for they are forbidden to bring their copper coins with them, and must buy silver bills where the copper coins are worth less in some cases than here.

To relieve the situation, the mints were ordered, on the recommendation of the board of finance, to make 30 per cent of their copper coins in 1-cash pieces, and since the stoppage of the issues of 10-cash pieces, these 1-cash pieces have been issued in large numbers, and after a new design. This small brass piece weighs about one-

quarter of an old cash, yet is issued as worth one-tenth of a Mexican cent.

UNIFORM CURRENCY GREATLY NEEDED.

To satisfy the need of a uniform currency for China several measures have been proposed. The latest, and one which seems likely to be adopted, is the issue of a coinage with the imperial treasury tael as the unit.

The imperial treasury tael is reckoned as 1.000 fine, and as weighing 575.8 grains, but the coin which is to bear this name is to be but .980 fine, as is to be the half-tael piece also, but the smaller subsidiary coins are to be no more than .880 fine.

The edict authorizing this new coinage was issued on October 5, 1908, but no coins have yet been struck, and the changes that have since taken place in the Government may lead to another change of plan. This is foreshadowed in a memorial of the board of finance of February 4, 1909, asking for a reconsideration of the subject.

The Government has complained that the circulation of its new dollars has been hindered by the large issue of notes by private banks. While this has probably helped rather than hindered trade, it may easily become a danger in the future. Such issues by private banks, and even by silk and grain shops and other mercantile concerns, appear to be dangerously large, and there are not a few counterfeits of the Chinese private bank notes.

The Imperial Government attempted to check this issue of paper money (in Peking) by an edict of April 2, 1908, prohibiting the issue of notes by any but licensed banks, and by these only under certain restrictions, among which is a provision for inspection of the assets by the governor of Peking. Similar measures were taken in Tientsin by the viceroy.

RAILROAD FREIGHT RATES.

The charges made by the railways for the transportation of goods are very high, and it is believed that the earnings of the railways would undoubtedly be greater if the rates were somewhat lower. An instance in point is the freight charged on coal brought to Tientsin from the mines along the Peking-Hankow line, and those near the narrow-gauge road from Shih-chia Chuang to Tai-yuen Fu. On the former line the rate for coal amounts to \$5.18 (\$2.05 United States currency) per ton for 492 kilometers (about 306 miles). Shipments over this line intended for Tientsin must be transferred to the Peking-Mukden railway. A special rate is made in such cases. Coal hauled from Tcho-kou Tien, 125 miles from Tientsin, pays \$45 (\$17.82 United States currency) per car of 20 tons.

On the narrow-gauge line mentioned above, the rates are so high that merchants still find it more profitable to transport their goods on pack animals, a five days' journey over a mountainous road, than to ship them in one day by rail.

On the Peking-Mukden line the rates charged per mile are as follows: First class, by the picul of 133½ pounds, ½ cent, and by the ton, 5 cents; second class, ½ cent and 3½ cents, respectively; third class, ½ cent and 1½ cents; dangerous goods, 5 cents and 7½ cents. A local cent is nearly equal to 0.4 cent American currency at the present rate of exchange.

To complete this list of hindrances to trade it is necessary to mention the agricultural distress which has prevailed during the past year over a large part of this Province (Chihli), as well as in many other parts of the Empire.

Thirty or forty counties in this Province, and quite as large an area in the adjoining Province of Shantung, were afflicted with drought or floods, causing either partial or total failure in the crops of peanuts, wheat, cotton, opium, millet, etc. The exports of straw braid, as a consequence, were reduced almost to nothing. This distress has necessarily curtailed the sales of imports.

EFFECT OF REFORMS ON TRADE.

The comprehensive programme of reform, which has been consistently held to since 1902, aims at the revision of the laws, the modernizing of the penal code, the establishment of a judicial system, the reorganization of the Government with a view to popular representation, the inauguration of a public-school system looking toward universal education, the creation of an imperial army, organized and equipped according to western models, and the improvement of industrial and commercial methods. These reforms, however, are not accomplished facts and the changes so far effected are not uniform throughout the Empire. The interior is scarcely affected as yet, save where the railway has penetrated, and even where change is noticeable it is necessarily slow.

As for the effect upon trade of the changes that take place, there is no reason to doubt that on the whole the changes tend to the improvement of commercial relations with the West, but the growth of American trade is likely to be of a slow and steady character, rather than by leaps and bounds.

It must be admitted that many articles now imported from America and Europe will before long be manufactured in China, and the nature of America's trade will probably be changed in the new era just beginning. But while trade in certain varieties of goods will decline, there will be compensation in the increased demand, which now scarcely exists, for articles of an entirely different character, for the development by China of her own resources will increase her purchasing power, and the improvement in wages and change in the standards of living now taking place are sure to create new demands which the manufacturers of the West can supply.

IMPORTS AT TIENTSIN AND CHINWANGTAO.

The value of the total foreign imports at the ports of Tientsin and Chinwangtao in 1907 was 64,510,385 haikwan taels, and for 1908 39,062,456 haikwan taels, a decline of 25,447,929 haikwan taels. The chief part of the decrease was at Tientsin, where the value of the imports in 1907 was 61,208,744 haikwan taels, and in 1908, 35,903,450 haikwan taels, the decrease being 25,305,294 haikwan taels. At Chinwangtao the imports in 1907 amounted to 3,301,641 haikwan taels, and in 1908, 3,159,006 haikwan taels, a decrease of 142,635 haikwan taels.

These figures show a decline of more than 39 per cent in imports during the year 1908 as compared with 1907. But this statement

does not fully measure the decline. Owing to the depreciation in the gold value of the silver tael, the silver prices of foreign imports were considerably enhanced, and the falling off in the quantities imported is much greater than would appear from the figures stated.

The average value of the haikwan tael in 1907 was 79 cents American currency, while in 1908 it was but 64½ cents. The gold value of the imports in 1907 was therefore \$50,963,204, and in 1908 \$25,292,940, showing a decline of \$25,670,264, or a little more than 50 per cent.

The quantities and net values of the principal articles imported into Tientsin during 1907 and 1908 are given in the following table:

Articles.	1907.		1908.	
	Quantity.	Value.	Quantity.	Value.
Cotton goods:				
Drills—				
American.....pieces.....	330,941	\$947,622	151,670	\$366,289
Dutch.....do.....	1,520	3,721		
English.....do.....	1,892	4,300	88	167
Japanese.....do.....	213,705	513,038	172,372	377,245
Sheetings—				
American.....do.....	1,204,144	3,370,636	739,390	1,833,317
English.....do.....	71,667	179,849	114,730	280,709
Japanese.....do.....	121,642	281,775	56,820	123,972
Shirtings—				
Gray.....do.....	521,164	897,021	473,495	794,121
White.....do.....	1,195,646	3,639,539	317,788	889,585
Yarn—				
English.....piculs.....	15,940	455,852	7,163	185,542
Indian.....do.....	188,548	3,664,242	117,006	1,832,668
Japanese.....do.....	102,848	2,040,185	54,120	860,410
Flour.....do.....	922,845	3,039,040	40,694	78,089
Kerosene:				
American.....gallons.....	11,699,348	1,233,666	10,520,529	1,022,162
Borneo.....do.....	1,847,647	137,282	520,656	45,748
Sumatra.....do.....	9,858,639	813,396	8,530,646	825,945
Matches.....gross.....	5,244,725	781,987	4,816,669	625,006

The quantities of the chief imports into Chinwangtao in 1907 and 1908 and the value of the imports in 1908 are shown in the following table:

Articles.	1907, quantity.	1908.	
		Quantity.	Value.
Cotton goods:			
Drills, American.....pieces.....	4,305	1,905	\$4,498
Sheetings—			
American.....do.....	41,065	16,080	39,736
English.....do.....	775	120	296
Shirtings—			
Gray.....do.....	2,145	2,000	6,258
White.....do.....	10,765	7,056	19,600
Yarns—			
English.....piculs.....	75	120	544
Indian.....do.....	12,420	7,287	114,137
Japanese.....do.....	7,933	5,166	84,996
Flour.....do.....		3,650	10,028
Kerosene, American.....gallons.....	700,000	620,000	71,458

Every item in the foregoing lists, save English sheetings and Sumatra oil at Tientsin and English cotton yarn and flour at Chinwangtao, shows a serious decline, and the exceptions are all articles imported in insignificant quantities. In none is the decline so

marked as in the varieties of cotton goods in which American manufacturers are interested. The principal cause of this depression was the decline in the exchange value of silver.

EXPORT TRADE.

This same fall in exchange, which proved so disastrous in the import trade, should have stimulated exports, and did to a considerable degree, though there were other causes operating to check this influence, particularly in the early part of the year.

The value of the exports from Tientsin in 1907 was \$13,630,040, and from Chinwangtao \$1,128,905, a total of \$14,758,945. In 1908 the exports from Tientsin were valued at \$12,396,349, and from Chinwangtao \$1,277,210, a total of \$13,673,559. Of the exports in 1908 from Tientsin \$1,000,179 went to foreign countries, including Hongkong, and \$11,396,170 to Chinese ports; and from Chinwangtao \$1,053,888 went to foreign countries and \$12,619,671 to Chinese ports. While there was a decline in the direct export abroad from Tientsin and Chinwangtao, there was a great increase in the shipments to other Chinese ports. It is impossible to determine how much of the goods shipped to other Chinese ports was reshipped to foreign countries, but most of the shipments abroad are sent via Shanghai.

EXPORTS TO THE UNITED STATES.

The declared value of exports to the United States during 1907 and 1908 is shown, by articles, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bristles.....	\$790,681	\$415,439	Robes, dogskin.....		\$3,650
Cabrettas.....	41,838		Skins:		
Carpets, pottery, and porcelain.....	15,411	13,917	Dog—		
Curios.....	23,898	2,984	Tanned.....		3,640
Hair:			Untanned.....		11,585
Camel.....		3,064	Goat—		
Goat.....		2,015	Tanned.....		8,986
Horse.....	101,879	95,496	Untanned.....	\$1,456,128	806,127
Human.....	5,908	32,784	Marmot.....	35,028	16,442
Tibet.....		353	Sheep.....	285,640	63,989
Household and personal effects.....		4,218	Slink.....	17,147	2,902
Intestines, sheep.....	13,505	20,259	Weasel.....	19,430	
Jute.....	54,618	81,284	Wolf.....		1,071
Mats and rugs:			All other.....	8,609	465
Dogskin.....	63,948	46,682	Straw braid.....	76,365	35,036
Goatskin.....	110,343	77,812	Wool, sheep's.....	2,874,326	2,201,445
Sheepskin.....		1,185	All other articles.....	15,689	13,017
			Total.....	6,010,384	3,965,866

While there was a very heavy falling during the first half of 1908, there was a steady improvement during the remainder of the year, the last two quarters showing a slight increase in the values over those for the same period in 1907. In the total for the year, however, there was a decline of more than 1,292,000 Tientsin taels from that of 1907, and in the gold values a decline of more than \$2,085,000.

The trade of Tientsin and Chinwangtao with the interior showed sympathy with the depression that marked the foreign commerce of the district. The value of goods in transit at Tientsin during 1908

was \$15,452,734 as compared with \$32,876,374 in 1907. At Chinwangtao the transit trade amounted in 1908 to \$1,481,003, and in 1907 to \$2,199,994. The customs revenue of the two ports for 1908 was \$1,595,718, and for 1907, \$2,661,599, a loss of \$1,065,881.

Stated in haikwan taels the loss was only 904,683 taels, but the difference in the exchange value of the tael in 1907 and 1908 makes the loss in gold much greater.

MOVEMENTS OF TREASURE—SHIPPING.

Movements of treasure to and from this port have not much significance, since they throw very little light upon the larger movement of the precious metals to and from foreign countries. The shipments of treasure are generally made to and from Shanghai, and much of the movement, no doubt, has to do with the settlement of accounts between the two ports.

The total imports of treasure at Tientsin during 1908 were 1,520,170 haikwan taels, of which 2,857 haikwan taels represent the value of imported gold. The exports during the same period were 7,942,977 taels, of which 2,089,391 taels were in gold (bars, dust, coin, etc.).

At Chinwangtao the imports of treasure were 210,000 haikwan taels, wholly in silver, and the exports 136,293 haikwan taels, of which 2,000 haikwan taels were in gold. It appears, therefore, that 2,091,391 haikwan taels worth of gold was exported from the district during the year, a good portion of which may have come from the mines of North China. There are no statistics, however, to enable one to determine the output of these mines.

During 1908, 788 vessels of 977,491 tons entered the port of Tientsin, against 856 vessels of 1,095,422 tons in 1907. At Chinwangtao there entered 176 vessels of 279,095 tons in 1908, against 205 vessels of 268,926 tons in 1907. At the two ports the number of vessels arriving in 1908 was 97 less than in 1907. But one American merchant vessel entered in 1907 and none in 1908.

RAILWAY IMPROVEMENTS.

Railway building in this consular district has made steady progress during the past year. The narrow-gauge line from Shih-chia Chuang on the Peking-Hankow Railway (15 kilometers south of Cheng-ting) to Tai-yuen Fu, the capital of Shansi, was opened last spring. It suffered somewhat from the floods of last summer, but the interruption to traffic was very brief. This line is 150 miles long, and brings Tai-yuen within 24 hours of Peking.

On June 30, 1908, ground was broken at Tientsin for the construction of the line from Tientsin to Pukow, the latter a small town on the Yangtze River, just opposite Nanking. The line has been surveyed and is to be constructed by the aid of German and British capital and engineers, the Germans supplying funds and engineering skill for the northern half, and the British for the southern half of the line.

Considerable has been done at this end of the line in the construction of the earthwork, which is completed as far as Teschou, about 150 miles from Tientsin, and tenders have been invited and received for rails, bridge materials, ties, and cement.

Steady progress has been made also in the building of the Peking-Kalgan line, the only line built entirely by Chinese engineers and with Chinese capital. The four tunnels above Nankou (35 miles from Peking) have all been completed, and notice is given that a second section from Nankou to Huai-lai will soon be opened. The branch of this line from Peking, 15 miles west to the coal mines at Men-tou-kou, has also been completed and is in operation.

Several memorials have been published recommending the continuation of the main line beyond Kalgan to Urga (and possibly to a connection with the Siberian Railway), and the construction of a branch westward across Mongolia to Turkestan.

The railway from Kai-feng, capital of Honan, to Honan Fu, 115 miles, is completed, and in operation. This line is on the south side of the Yellow River, and, therefore, not properly within this consular district, but, since it lies on the border and connects with the Peking-Hankow line at Chen-chou, 40 miles west of Kai-feng, its operation is of great importance to the trade of this district, and its continuation to Hsian, the capital of Shansi, now being urged, will greatly add to that importance. A great part of the wool shipped from Tientsin to the United States comes from Kansuh and Chinese Turkestan, northwest of Hsian, and will eventually find its way by rail instead of on pack animals, either to this port or to Hankow.

Arrangements were made during the year for the recovery by the Chinese Government of the control of the Peking-Hankow line. The sum of 6,000,000 pounds sterling were needed for this purpose, 5,000,000 pounds only of which were raised by a loan financed by four European banks. The Chinese Board of Communications was under the impression that the remaining 1,000,000 pounds could be obtained from Chinese capitalists. In this hope they were disappointed, and since the money had to be in hand by January 1, 1909, a supplementary loan of 1,000,000 pounds sterling for three months was arranged with four banks, the Hongkong and Shanghai Banking Corporation, the Banque de l'Indo-Chine, the Yokohama Specie Bank, Limited, and the Deutsch-Asiatische Bank.

MINING INTERESTS.

The mining industry continues to improve. Both bituminous and anthracite coal are taken out in considerable quantities. The Chinese Engineering and Mining Company's collieries, near Tongshan in this Province, lead in the output of bituminous coal, with a total of 959,000 tons sold during the year, and a capacity of 1,250,000 tons per annum. A good beginning has been made by a rival company, a Chinese concern, in the same vicinity. The Peking syndicate mines in Honan, and the Ching Ching mines, located in Shansi, near the Tai-yuen Fu railway line, are competing in the Tientsin market with a fair variety of anthracite. The Peking-Kalgan line will make another rich coal field near Kalgan available, but its branch to the Men-tou-kou mines has not yet entirely supplanted the picturesque camel train, carrying coal to Peking.

A Chinese company is attempting to secure funds for the working of coal and iron mines in Shansi, in the field repurchased from the Peking syndicate, but does not appear to be meeting with much success. The company seeks to raise a capital of 5,000,000 taels to

work mines near Ping-ting Chou, and machinery for this purpose and for the establishment of a foundry is said to have been ordered to the value of 1,000,000 taels.

At Tongshan a good quality of fire clay is mined, which is being manufactured into fire brick, drainpipes, ornamental tiling, etc.

The gold mines at Urga seem to be in a prosperous condition, worked with Russian capital, but there are no available statistics as to the output. The export of gold from Tientsin and Chinwangtao in 1908 amounted to 2,091,391 taels, but there is no way of determining how much of this came from these mines. Moreover, much of the gold that is mined in this district is smelted at Peking, and used locally in the arts. Much also comes into the district from Manchuria, and a great deal, it is believed, is carried into Shantung by coolies returning thither every winter from Manchuria.

MANUFACTURES—INDUSTRIAL TRAINING.

Modern methods of manufacture are being introduced gradually and with considerable success. Besides the manufacture of bricks and tiles at Tongshan, mentioned above, an excellent quality of cement also is produced there. The output amounts to 200,000 casks per annum.

Ever since the establishment of the railway shops at Tongshan, steady progress has been made in the production of railway supplies. Freight and passenger cars, and not a few locomotives, are built there, not only for the imperial railways of North China, but for other lines as well.

The Engineering College at Tongshan is doing much to prepare young men for responsible positions in such shops, as well as to furnish a supply of capable assistants to those engaged in railway construction and in mining. This institution is now under the direction of an American-Chinese, who is a graduate of the University of California and a post graduate of Columbia. The institutions established some years since at Tientsin by Yuan Shih-kai are also doing much to aid in the introduction of western methods of industry. Among these of great importance is the College of Technology, which gives excellent courses in engineering, applied chemistry, etc. There are 210 students in the school, 20 of whom are in the preparatory department, and it has seven instructors, of whom one is American and one English, and several others are Japanese. The school is well housed and has fine laboratories.

On the opposite side of the street is the Manual Training Institute, where 800 young men are serving apprenticeship to such trades as cotton weaving, soap making, dyeing, matchmaking, pottery, cabinetmaking, and silk weaving and embroidery.

Another government institution worthy of note is the Pei Yang Iron Works, where other apprentices are trained in the work of casting stoves, and in the manufacture of scales, steelyards, balances, etc., as well as in brass casting, and the manufacturing of electric appliances.

A native cigarette factory is in operation with an output of 200,000 cigarettes a day. Efforts are being made to establish a cotton mill of 25,000 spindles, but the necessary capital has not been secured as yet. Other industries introduced from the West are the manufacture of knit goods and laces. The commercial museum at Tientsin

exhibits a very good class of the former, such as underclothing, socks, gloves, hoods, etc., after patterns that suit the Chinese taste. Laces are made chiefly at the mission schools, both silk and linen thread being employed. The output is made to suit foreign taste and finds a ready sale, the prices being fairly cheap from the western standpoint.

TAXES—EDUCATIONAL AND ADMINISTRATIVE REFORMS.

The need of funds for the Government's program of reform has led to numerous suggestions for the increase of the revenue. A proposal to increase the price of salt by four cash a catty to supply the deficit in the opium revenue was approved on June 23, 1907. The production of salt is a government monopoly.

A stamp tax on commercial documents is contemplated with favor by the authorities, and may be put into operation soon. A tax on vehicles is being collected in Peking in aid of the municipal revenues, and various so-called voluntary contributions are being taken from merchants in support of the school system.

The public school system introduced in 1905 is being constantly extended and the schools are doing very good work considering the difficulty of securing competent teachers. A number of foreigners are employed, chiefly in the universities, the higher middle schools, and in the normal, professional, and technical schools. A fair proportion of these are Americans. Among the new schools opened during the year is the Woman's Medical College at Tientsin under the direction of Dr. Yamei Kin, a Chinese lady of American education. She does not, however, attempt to do more at present than prepare young women as trained nurses, but in this she is doing an excellent work, and one greatly needed.

The work of revising the laws of China and establishing new courts divorced from the old administrative system is progressing. The penal administration has been greatly improved since the abolition of the bamboo. An industrial prison has been in operation here for the past four years, in which there are 700 prisoners (none guilty of capital offenses) and a workhouse which was established two years ago, in which there are 500 petty offenders, tramps, and waifs. In both institutions the inmates are taught trades and thus provided with an honest means of livelihood. All who are not too old are taught also reading, writing, and elementary mathematics. The institutions are not designed to be self-supporting; the inmates, even prisoners serving life sentences, are paid wages according to the quality of the work done. These wages may be sent to their families or kept until their discharge, or used to purchase better food than the prison fare. The buildings are in good sanitary condition and the inmates comfortably clothed.

The plans proposed in 1907 for the establishment of local self-government are being gradually carried out. The Tientsin Council, however, is not really in control of the municipal government of Tientsin, but is charged with the execution of certain sanitary and police measures and public works.

The plan adopted by the central Government contemplates the gradual education of the people for the discharge of political duties, which will devolve upon them in the near future.

TSINGTAU.

By CONSUL WILBUR T. GRACEY.

A recent official publication very aptly describes the commercial status of Tsingtau when it says:

The Kiaochow territory represents a clear type of commercial settlement, whose main economic function is that it shall be the medium for the exchange of merchandise between two great industrial countries. Tsingtau was, from the beginning, considered to be an emporium and transshipping port from which European goods could be distributed to the Chinese hinterland and where the latter's products could be collected for transshipment.

The total value of the import and export trade of Tsingtau in 1907 was 34,080,968 haikwan taels, or, at an average exchange of 83.1 cents United States currency, \$28,321,284 gold. In 1908 the total trade amounted to 37,878,225 haikwan taels, but as the average rate of exchange in that year was but 67.2 cents, the gold equivalent was \$25,454,167—an increase of 3,797,257 haikwan taels, or a little more than 11 per cent when considering the tael value, but a decrease of \$2,867,117 in the gold value of the total trade when compared with that of the preceding year.

FOREIGN IMPORTS DECREASE.

Imports of foreign goods in 1908 amounted to \$10,738,654, against \$13,552,534 in 1907, a decrease of \$2,813,880. The value of direct foreign imports, exclusive of railway and mining materials, in 1907 was 6,754,944 haikwan taels, or \$5,613,358 gold, and in 1908 8,133,416 haikwan taels, or \$5,465,657, an increase of 1,378,472 taels, but a decrease of \$147,701 in the gold value. The value of foreign imports from native ports, chiefly Shanghai, was \$5,115,664 in 1908 as compared with \$7,735,447 the year before, a decrease of \$2,619,783.

In the following statement are given the principal imports into Tsingtau during 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Buttons, brass.....gross..	115,648	98,115	Cotton, manufactures of—		
Candles, hundredweight...	2,455	2,663	Continued.		
Candy.....do.....	18,788	15,553	Lawns and muslins,		
China ware.....value...	\$39,721	\$12,762	pieces.....	17,391	9,880
Cigars and cigarettes,			Sheetings—		
value.....	\$78,648	\$89,364	American, pieces..	275,340	133,890
Coal.....tons.....	16,173	10,436	English.....do....	42,850	28,510
Cotton, manufactures of:			Japanese.....do....	17,160	2,300
Chintzes and prints,			Shirtings—		
pieces.....	25,872	27,404	Gray, English,		
Drills—			pieces.....	330,601	280,287
American, pieces..	19,604	19,310	White.....pieces..	46,214	49,854
Dutch.....do....	3,630	60	Spanish stripes, do....	8,616	3,911
English.....do....	12,277	5,150	T'cloth—		
Japanese.....do....	10,600	12,540	English.....do....	263,819	180,220
Printed, etc.,			Japanese.....do....	37,440	20,210
pieces.....	8,967	11,998	Printed.....do....	69,088	31,683
Flannel.....pieces..	10,123	8,551	Towels.....dozen..	219,253	102,572
Handkerchiefs,			Turkey redds. pieces..	64,283	56,111
dozen.....	8,435	5,462	Velvets and velvet-		
Italians.....pieces.	209,476	188,133	eens.....yards....	23,002	18,750
Jeans—			Woven, fancy. do....	310,416	176,703
American.....do....	9,780	7,755	Yarn—		
English.....do....	54,189	53,996	Indian, hundred-		
Lastings.....do....	119,053	100,509	weight.....	115,099	95,868

Articles.	1907.	1908.	Articles.	1907.	1908.
Cotton, manufactures of			Matches, Japanese, gross..	2,427,312	3,723,613
Continued.			Mats of all kinds.. pieces..	107,754	157,488
Yarn—Continued.			Oil, kerosene:		
Japanese, hundredweight.....	113,417	114,772	American... gallons..	4,601,893	6,572,300
Dyes, colors, and pigments:			Sumatra... do.....	2,807,130	2,874,780
Aniline..... value	\$135,283	\$81,731	Paper... hundredweight..	22,928	23,436
Indigo, artificial, hundredweight.....	19,556	21,860	Pepper, black..... do.....	3,605	3,609
Lead, white and yellow, hundredweight.....	2,375	2,663	Seaweed, long..... do.....	30,028	26,516
Electrical materials and fittings..... value.	\$18,890	\$12,250	Silk piece goods, mixtures, pounds.....	88,245	58,201
Glass, manufactures of:			Soap..... value.	\$25,054	\$20,018
Glassware..... value.	\$7,432	\$5,740	Stores, household... do...	\$38,862	\$46,527
Window..... boxes	5,725	6,872	Sugar:		
Iron and steel, manufactures of:			Brown, hundredweight.....	155,635	127,160
Bars, hundredweight.	5,757	9,297	White, hundredweight.....	56,769	43,505
Hardware..... value.	\$44,442	\$25,294	Refined, hundredweight.....	17,109	21,168
Nail rod, hundredweight.....	6,432	3,499	Timber:		
Needles... thousands.	357,050	296,500	Hard wood, cubic feet.	203,526	20,651
Old, hundredweight	124,528	74,103	Soft wood, superficial feet.....	23,820,634	1,763,552
Sheets and plates, hundredweight.....	3,027	3,035	Wines and malt liquors:		
Steel, hundredweight.	4,473	4,837	Beer and porter, value.....	\$22,510	\$38,004
Tin plates, hundredweight.....	5,776	23,599	Wines..... value..	\$58,668	\$74,554
Lamps and lamp ware, value.....	\$10,786	\$14,343	Wool, manufactures of:		
Lead in pigs, hundredweight.....	1,777	3,737	Cloth..... yards..	7,945	7,598
			Lastings..... pieces.	2,343	1,560
			Mixtures, union and poncho..... yards..	18,884	23,488
			Spanish stripes, do....	6,109	5,234

INTEREST CENTERS IN KEROSENE IMPORTS.

Of the principal imports, interest still appears to center in kerosene oil. As the Standard Oil Company's tanks were completed and a wharf for kerosene boats finished in 1908, making it possible to discharge cargo directly from the tank ships to the tanks on shore, the gain in imports of American oil was quite large. American kerosene imported in 1907 amounted to 4,601,893 gallons, and in 1908 the amount rose to 6,572,340 gallons, an increase of 1,970,447 gallons.

Imports of piece goods, handkerchiefs, towels, and cotton yarn showed decreases, owing to the prevailing low exchange and the stringency of the money market. Metals in general showed a falling off, though there was a considerable increase in the imports of tin in plates, due to the fact that the Standard Oil Company has established a factory at Tsingtau for the manufacture of oil tins. The customs statistics of some of the sundries showed a slight increase in the tael value, but in the statistical tables these appear as decreases because the value of the Haikwan tael in gold dollars was much lower in 1908 than in the previous year. The largest decrease in quantity was in soft-wood timber, which fell from 23,820,634 superficial feet in 1907 to 1,763,552 superficial feet in 1908. Wines, beer, and porter showed a considerable increase, as did also household stores.

EXPORTS BY ARTICLES.

The direct exports to foreign countries amounted to \$1,804,682 gold in 1908, in comparison with \$734,230 in 1907, the increase being due to the fact that in the earlier year the ultimate desti-

nation of goods shipped via Shanghai was not shown in the customs statistics. The value of exports to Chinese ports, principally Shanghai, was \$6,310,700 in 1908, as compared with \$8,016,711 during the previous year.

The principal exports from Tsingtau during 1907 and 1908 are shown in the following comparative table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Braid, straw, hundred-weight.....	82,771	101,587	Oil cake, bean, hundred-weight.....	5,039	28,785
Bristles, hundredweight.....	1,652	2,011	Pigs.....number.....	1,990	2,543
Cape, felt.....pieces.....	4,932		Rugs, dogskin.....pieces.....	6,508	776
Coal.....tons.....	9,274	33,821	Seeds:		
Eggs, fresh.....dozens.....	1,861,443	5,329,660	Apricot, hundred-weight.....	291	1,239
Fruits and nuts:			Melon, hundred-weight.....	6,105	7,661
Dates, hundred-weight.....	31,787	93,213	Silk, and manufactures of:		
Groundnuts, hundredweight.....	28,140	127,675	Raw, hundred-weight.....	4,544	4,665
Pears, hundred-weight.....	7,323	2,589	Pongee, Shantung, hundredweight.....	3,306	3,353
Walnuts, hundred-weight.....	695	1,760	Waste, hundred-weight.....	2,015	11,408
Glassware, hundred-weight.....	6,891	7,832	Tallow, animal, hundred-weight.....	2,733	20,220
Hides and skins:			Vegetables:		
Cow and buffalo, hundredweight.....	14,003	10,267	Beans, hundred-weight.....	662	4,658
Goat.....pieces.....	197,703	154,869	Other, fresh, hundredweight.....	22,353	33,804
Medicines.....value.....	\$22,572	\$18,658	Vermicelli and macaroni, hundredweight.....	5,857	7,211
Oils:			Wool, sheep's, hundred-weight.....	1,237	2,699
Bean, hundred-weight.....	1,445	1,029			
Groundnut, hundred-weight.....	13,691	126,221			

A better crop made the exports of beans and bean products much larger than in 1907, and groundnut-oil exports also increased. Heretofore these products have been shipped almost exclusively to Chinese ports, but owing to the low rate of exchange in 1908 they could be placed on the European markets at favorable prices. While the shipments of most of these lines were only sample cargoes, a large trade was carried on in shelled groundnuts, and exports of the shelled nuts increased from 20,239 hundredweight in 1907 to 101,056 hundredweight in 1908. The straw-braid export, which is the principal business of the port of Tsingtau, amounted to 101,587 hundredweight in 1908 as compared with 82,771 hundredweight in the preceding twelve months. Bristles, coal, dates, fresh eggs (which increased from 1,861,443 in 1907 to 5,329,660 in 1908), silk, animal tallow, fresh vegetables, and felt caps all showed increases.

There was a decrease of \$128,899 in the gold value of articles declared through the American consulate at Tsingtau for shipment to the United States in 1908 as compared with the declared exports of 1907. The articles in 1908 were: Straw braids, \$655,045, a decrease of \$93,245 from 1907; household goods, \$1,449, an increase of \$1,001; silk, \$1,214. Bristles, hay, and hides and skins, the exports of which were valued at \$32,915 in 1907, disappeared from the list.

THE TIENTSIN-PUKOW RAILWAY.

During 1908, after long negotiations between the interested European capitalists and the Chinese Government, a conclusion was

reached which assured the connection of the Tsingtau-Tsinanfu Railway with another line running farther into the interior of China. This new railway, which will connect Tsinanfu with Tientsin in the north and Pukow on the Yangtze River in the south, will do much to increase the trade of Tsingtau. The road, officially known as the Tientsin-Pukow Railway, is being built and operated by the Chinese State Railway Administration. The section from Tientsin to the southern border of Shantung, comprising some two-thirds of its entire length of 629 miles, is being built by German-Chinese capital. Construction work has already begun, and it is expected that the grading of the road will be nearly completed by the end of 1909. From Tientsin to Tetschou, a distance of 140 miles, the grading had been finished at the close of 1908, and it was intended during 1909 to start building from Tsinanfu both north and south. The construction of this railway is of direct importance to Tsingtau, as most of the materials will pass through this port, and is of special interest to German industry, as the contracts for all the materials for the northern section have been given to German firms. The orders already placed with iron and machine manufacturers of Germany amount to about \$5,500,000.

The completed railway which connects Tsingtau with Tsinanfu, the capital of Shantung Province, had another successful year in 1908, having carried 834,686 passengers and 470,684 tons of freight, a decrease of 51,314 passengers, but an increase of 76,884 tons of freight when compared with the 1907 traffic.

DECREASED SHIPPING—HARBOR IMPROVEMENTS.

During 1908, 445 steamers and 1 sailing vessel, with a net registry of 551,971 tons, called at Tsingtau, against 497 steamers of 551,963 tons in the previous year, a very slight increase in tonnage, but a decrease in the number of ships. In 1908, 220 were German steamers, 107 British steamers, 1 British sailing vessel, 80 Japanese, 20 Chinese, 15 Norwegian, and one each with the Russian, Dutch, and French flag. There was a falling off of 62 in the number of German ships and of 21 in that of British vessels during the year. The value of the trade carried in vessels other than Chinese junks was \$21,564,275, the balance of \$3,889,892 having been conveyed in native boats.

The 16,000-ton floating dock at Tsingtau was occupied on 170 days, during which time there were docked 18 men-of-war with an aggregate tonnage of 23,892 tons, and 10 merchant vessels of 22,336 tons. The dock employed 45 Europeans and 10 expert Chinese during the year, and an average of 1,124 Chinese workmen. The only changes of importance in the harbor were the completion of the mole for kerosene-oil steamers and the construction of large government warehouses on Mole 2.

An official resumé of the shipping industry at Tsingtau states:

While the improvement of the great land routes progresses satisfactorily, the improvement of the sea routes does not keep step. One feels a depression in the economic development of the colony, as the Imperial mail steamers to and from Europe do not stop at Tsingtau, and through freight steamers between German ports and the colony arrive only at great intervals. A favorable influence upon the development of the shipping will certainly result from the success of the German coal mines at Poshan in producing bunker coal of good quality.

SHANTUNG MINING COMPANY.

The Shantung Mining Company raised at Fangtze, in the Chinese hinterland, 222,450 tons of coal in 1908, against 145,000 tons in the preceding year, that year having had a very small output owing to an accident in the mines. At its Poshan mines the output was 56,600 tons, against 34,200 tons in 1907. The daily capacity of the Fangtze mines is 1,000 tons and at Poshan 400 tons. In the latter part of the year the company established an agency in Shanghai and commenced selling its washed lump coal on that market, and hopes to dispose of 50,000 to 60,000 tons in that city during 1909. At Hungshan there is produced a coal of Cardiff standard, for 15,000 tons of which the German navy has made a contract. A washing plant is being erected at Hungshan, which is expected to be in operation about August, 1909, and which will increase the percentage of naval quality coal and also give a good grade of smaller coal. Until the completion of the washing plant, the output will be about 600 tons per day.

MANCHURIA.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL FREDERICK D. CLOU³, MUKDEN.

The general conditions of trade throughout Manchuria during 1908 showed an encouraging improvement over those of the previous year. The crisis, especially in foreign trade, which was largely due to overstocking and speculation at the close of the Russo-Japanese war, has passed and a healthy reaction has set in, indicating a return to normal conditions. The one thing which, more than all others, has retarded the return to a normal level and delayed the new era of prosperity has been the marked decline in silver, coupled with the chaotic state of the currency of the country. This decline in the price of silver affected very seriously the import trade, especially in such lines as American flour and cotton goods, while it doubtless stimulated the export trade in native products. The Manchurian producers had good crops, far above the average, but owing to the slack demand prices were low and profits small. One promising feature of the export trade is to be found in the new outlet to Europe and America for Manchurian products. For the first time beans were exported to England and the Continent at fair prices. The shipments, it is true, were made more or less as an experiment, but it is encouraging to know that some 30,000 tons were shipped to Great Britain.

The improved transportation facilities afforded Manchurian farmers, together with improved methods of handling the crops, are stimulating production. The bean crop of 1908 was the largest ever produced in this country, and it is to meet this increased production that wider markets are being sought. There is little doubt that Manchuria is to become, in the not far distant future, a competitor of America in supplying agricultural products for the markets of Europe. That Manchurian flour and low grades of flour milled in Shanghai and Hongkong are already strongly competing with the Amer-

ican article in Manchuria has become an established fact, evidenced by the falling off of the import trade during the year. The flour mills of Harbin and the new milling enterprises of the Japanese are placing their products upon the local markets at prices with which it is impossible for American mills to compete. The superior quality of the American brands is not questioned, but the Manchurian consumer's purchasing power is too limited to enable him to buy any but the cheapest grades, not only of flour but also of the whole round of daily necessities. To increase the large native population's purchasing power therefore is to increase Manchuria's trade with foreign countries, and the only way to achieve this is to develop its agricultural resources by improved methods of cultivation and by creating new and larger markets for its products. What the United States may lose through diminished sales of farm products must more than be made up through increased trade in manufactured goods.

IMPORT TRADE FOR THE YEAR.

According to official returns the total value of the import trade of Manchuria for 1908 passing through the custom-houses of Newchwang, Dalny, and Antung amounted to \$31,954,298, United States gold. Of this amount \$25,153,861 was imports from foreign countries, while \$6,800,437 represented the value of goods, mostly of Chinese origin, imported from other Chinese ports. In addition to the purely foreign imports, however, there should be mentioned an item of \$10,000,000 worth of railway materials imported from the United States by the South Manchuria Railway Company, on which no duties were paid, and which was omitted from the Chinese customs returns. What further imports entered Manchuria by way of Tientsin and Harbin it is impossible to state, but assuming that \$10,000,000 of imports entered by way of these two cities the total value of Manchuria's incoming commerce from foreign countries aggregated approximately \$45,000,000. Of this amount about \$16,000,000 worth came from the United States, of which \$10,000,000 consisted of railway materials and the balance represented America's share of the miscellaneous merchandise imports.

The principal articles of American origin were cotton goods, kerosene oil, lumber, and flour. The imports of American kerosene amounted to 8,000,000 gallons; cotton goods, a trifle more than 1,000,000 pieces; lumber, 3,500,000 feet, and flour, 250,000 barrels. The sale of American cigarettes also reached large proportions, but only a small number of them was exported direct from the United States. There were substantial increases in the imports of American cotton goods over those of 1907, and the outlook in this line of trade is very encouraging. The same is also true of kerosene oil. The imports of American flour, however, decreased heavily, which was due to the marked decline of silver, coupled with the competition of flour of local manufacture. On the whole there were substantial gains in American trade over the previous year, and there is every reason to believe that with renewed efforts and improved methods on the part of American shippers the present year will witness a still greater proportionate increase in America's share of the Manchurian import trade.

EXPORTS EVENLY DIVIDED.

The total value of Manchurian exports in 1908 clearing through the custom-houses of Newchwang, Dalny, and Antung was \$36,282,894, and this amount was about evenly divided between exports to foreign countries and exports to China, \$18,376,968 going to the former and \$17,905,926 to the latter. The exports of beans and bean cake amounted to approximately 754,496 tons, and were valued at \$14,880,113, an increase of \$5,029,323 over 1907. In addition, 1,930 tons of bean oil, valued at \$136,538, were exported, making the total value of exports of bean products \$15,016,651. The item next in importance in the list of exports was wild silk, which was valued at \$3,329,921. Timber from the Yalu Valley was third in importance, amounting to \$2,373,000. Other exports were 18,345 tons of kaoliang (tall millet), 326,169 bushels of Indian corn, and 3,815 tons of millet, aggregating \$445,950 in value.

Added to the figures just given, which represent only the exports passing through the custom-houses of the Province, should be the large quantities of all kinds of Manchurian products which are exported in native craft and which do not come under the supervision of custom-house officials. It is probably true that the official customs returns from year to year do not account for more than 60 per cent of the actual exports of Manchurian products.

BEAN AND WHEAT CROPS—COLONIZATION.

On the whole, the year has been a satisfactory one from the standpoint of the agriculturist. Throughout the greater portion of Manchuria large crops were harvested, and although prices averaged lower than during the two preceding years the increased yield more than covered the loss in price. The bean and wheat crops were especially good, the yield being the greatest on record. In certain sections considerable damage to the kaoliang crop by floods was reported, but on the whole this crop was also above the average. The total value of farm products for 1908 was approximately \$63,000,000, the value of the principal crops being estimated as follows: Kaoliang, \$28,000,000; beans, \$25,000,000; wheat, \$4,000,000; millet, \$3,000,000; other crops, \$3,000,000. The increased transportation facilities afforded by the South Manchuria and the Chinese Imperial railways are proving of great benefit to Manchurian agriculture. Farmers are not only being stimulated to increase the acreage tilled, but are also devoting more of their land to those crops having the greatest commercial value.

The Mukden government, in cooperation with the central government, has devoted much attention during the year to the colonization of the uninhabited regions of Mongolia, Kirin, and Heilungchiang. Offices have been opened in Hankow, Shanghai, Tientsin, Chefoo, and Newchwang for the purpose of inducing worthy families to become residents of Manchuria. All intending settlers of these new regions are given special low rates on the Chinese steamship lines between Chefoo and Newchwang, and on the steamship lines of the Sungari River. Large tracts belonging to Mongolian princes have been surveyed and set aside for settlement and the Government is offering inducements to the people of the southern and more

densely populated Provinces to take up this land. The land has been divided into three classes, according to desirability, the price per acre being fixed at the equivalent of \$2.75, \$1.50, and 87 cents, United States currency, respectively. One-half of the original purchase money goes to the Government as revenue, while for every \$62.10 of purchase money an additional \$9.32 is collected from the purchaser for the maintenance of the colonization bureau. If the settler is too poor to buy the land, long-term leases are made. Under such leases the annual rental averages 20 cents per acre. No taxes on land purchased are collected during the first three years from the date of entry, and should the settlers require funds to enable them to care for their crops they may receive advances from the government banks. These advances are made against the current crop and bear a low rate of interest. The scheme, in principle at least, is a highly commendable one. The regions thus thrown open are among the most fertile in all Manchuria, and are at present largely unproductive only because they are for the most part uninhabited.

AMERICAN MINING INTERESTS.

Although considerable interest in the mineral deposits of Manchuria has been evinced by American, British, and German engineers during the year, but little has been accomplished by them toward the development of the country's mineral resources. The South Manchuria Railway Company, on the other hand, has pushed forward development work on the Fushun coal mines with great energy, and extensive additions to the equipment of the mines have more than doubled the output. At the beginning of the year the daily output was 500 tons, but by the end of December the daily product had reached 1,200 tons. The Fushun coal mines constitute one of the chief assets of the company.

Practically nothing has been accomplished in the development of gold, silver, or copper mines, although considerable interest in the possibilities of gold mining have been manifested. The Mukden government has repeatedly made it known that it was anxious to invite foreign capital into Manchuria for mine development, but has failed to obtain a revision of the mining regulations, which alone will make possible the investment of foreign capital in Chinese mines.

CURRENCY AND EXCHANGE.

One of the chief causes of continued trade depression in Manchuria is the heterogeneous mixture of circulating mediums of exchange in use at present. Government banks, private native banks, foreign banks, and native commercial firms are permitted to issue their own forms and varieties of obligations called "money." There are no less than twelve mediums of exchange in circulation in Manchuria: (1) the small-coin dollar, having a value of 100 cents of subsidiary silver coins of 10 and 20 cent pieces; (2) copper coins of 10 and 20 cash denominations; (3) paper currency based upon the small-coin dollar; (4) the local or Fengtien tael; (5) notes of foreign banks in roubles; (6) silver yen; (7) gold yen; (8) Mexican dollars; (9) the Mexican dollar coin; (10) the Manchurian dollar, a silver coin the weight and fineness of which is slightly greater than that of the Mexican dollar;

(11) tiao notes; and (12) the square-holed copper cash. With the exception of the gold yen and the rouble bank notes, these are all based upon silver values, and are subject to constant and ever-varying rates of exchange, not only in relation to gold currency but in respect to each other. It is not difficult to conceive the obstacles lying in the way of trade development where so much uncertainty exists as to the character and stability of exchange mediums. Of the total currency in circulation in this district approximately 30 per cent is composed of foreign bank notes, distributed as follows: Yokohama Specie Bank, silver notes, 18 per cent; Bank of Japan, gold notes, 6 per cent; Japanese war, silver notes, $1\frac{1}{2}$ per cent; Russo-Chinese Bank, rouble notes, 3 per cent; and the notes of various banks of Tientsin and Shanghai, $1\frac{1}{2}$ per cent.

CREATION OF BANKS A MEANS OF REVENUE.

During the last few years the creation of government banks has been made a means of raising government revenue, and these in turn have issued large quantities of paper notes. The government bank of Mukden has issued in the four years of its existence \$4,080,000 worth of notes. There has been no attempt to redeem them, nor has there been any considerable amount of these notes withdrawn from circulation. The government of Kirin Province issued approximately \$6,400,000 of tiao notes, so that the total amount of government notes in the district outstanding at the close of 1908, expressed in United States currency, was about \$10,480,000.

The paid-up capital of the provincial government's bank of Mukden at the end of 1908 was \$2,685,405, United States gold, with a special reserve fund of \$222,664. Granting that these two accounts, aggregating \$2,908,069, are in such form as to act as security against the bank's outstanding notes, there are still \$1,171,931 worth of government bank notes in circulation for which there is no apparent security. The government banks claim, however, that they always keep on hand a large quantity of government revenues which they use as an additional reserve for protecting their note issues.

In addition to the government bank notes many private banks and commercial firms have issued large quantities of notes in many denominations, and as the concerns issuing these notes do not attempt to maintain a legal tender reserve with which to redeem them, the value of such notes depends from day to day upon the solvency or insolvency, or the reported solvency or insolvency, of the banks and firms of issuance.

COPPER COINS TO REPLACE SQUARE-HOLED CASH.

Another means of raising revenue has been the minting of copper coins to replace the ancient, square-holed cash. This method of replenishing the exchequer has been employed not only in Manchuria but throughout the Empire. During 1908 the provincial government's mint at Mukden coined 27,000,000 copper 10-cash pieces, the approximate value of which was \$93,150, United States currency, and 15,000,000 20-cash pieces of the value of \$103,500. Previous assays of these coins have shown that the 10-cash coins, as compared with the old square-holed cash, contain only 2.7 cash worth of metallic

copper. In other words, the government's nominal profit on each of these 10-cash pieces is 7.3 cash, but its actual profit is somewhat less, for the reason that the market value of the new coins has greatly depreciated owing to the public's refusal to accept them at face value. This attitude of the general public is partly due to the character of the new token money and partly owing to the government's refusal to accept its own coins in payment of taxes and revenues.

It is this state of the country's monetary system that is proving hurtful to Manchuria's trade and public revenues. There is encouragement, however, in the recent action of the central Government in issuing instructions to the provincial authorities to make careful investigation of private banks before allowing them to issue bank notes. Regulations are also being drawn up requiring such banks to submit to a system of inspection, and compelling them to provide adequate legal-tender reserves for the protection of their note issues.

RAILWAY DEVELOPMENTS.

During 1908 considerable improvement in transportation facilities was accomplished. The first part of the year witnessed the completion of the standardization of the South Manchuria Railway, including the installation of new rolling stock, which has greatly increased the road's carrying capacity. Under the narrow-gauge régime the line's daily carrying capacity was about 2,000 tons, whereas at the present time, with its standard gauge, new American rolling stock, and improvement in its freight service, the capacity is more than 6,000 tons. Similar improvement has been made in the passenger service. Semiweekly through train service between Dalny and Kuanchengtzu (Changchun) has been inaugurated. These trains are thoroughly modern in every respect, the cars and locomotives being of the latest designs of American make. Each train is composed of a mail car, a Pullman sleeper, a diner, and a combination day coach and baggage car. In addition to these improvements the South Manchuria Railway Company has established a weekly steamship service between Dalny and Shanghai, which shortens the time of travel between the latter city and Manchuria by two to five days, and will also bring about a reduction of freight rates. The company is already issuing through bills of lading between Shanghai and Manchurian points.

During the year negotiations have been in progress for the building of new railway lines, notably a line of some 80 miles from Kuanchengtzu (Changchun), on the main line of the South Manchuria Railway, to the city of Kirin, and for a line from Hsinmintun, on the main line of the Chinese Imperial Railway, to Fakumen, a distance of about 40 miles. The latter is to be a Chinese line, but according to the terms of an agreement with Japan the Chinese Government must borrow from the South Manchuria Railway Company one-half of the capital required to construct the road. It is also stipulated that the heads of departments in the new road's management shall be Japanese, whose appointment shall be subject to the approval of the management of the South Manchuria company. The amount of the loan from the railway company is to be \$1,069,700 for constructing the new line and \$159,360 for the repair and reconstruction of the Hsinmintun-Mukden line, a total of \$1,229,060. Negotiations are still in

progress between the governments concerned, but apparently little headway is being made. It is highly regrettable from a commercial and development point of view that there should be any obstacle offered to the building of this line. The vast fertile plains of Manchuria and Mongolia tributary to the city of Fakumen are demanding that the railway be built without further delay, and furnish an outlet for the products of the farms of the region and an inlet for manufactured articles for which the inhabitants must pay, owing to the great cost of transportation at present, all but prohibitive prices.

As showing the relative importance of the various trade routes of this region, the total amount of freight carried by the Chinese Imperial Railway during the year ended August 31, 1908, from Newchang and points on the line southwest of Koupangtzu to Hsinmintun was 54,324 tons, and from Hsinmintun to the places named 109,506 tons, a total of 163,830 tons. The freight between Hsinmintun and Fakumen amounted to 55,830 tons. The traffic between Fakumen and Tiehling (the latter being across the Liao River, 35 miles distant, and on the main line of the South Manchuria Railway) during the same period amounted to 28,050 tons. These figures refer only to freight hauled by the railways and by no means account for the total traffic between the cities of Fakumen and Hsinmintun. Owing to the relatively high freight rates charged by the railways in comparison with the cartage charges, large quantities of beans and bean cake, kaoliang and millet are brought to the seaboard by carts in winter and by junks in summer. Fakumen is the commercial center of the country to the northeast as far as Petuna on the Sungari River, as well as of the country to the north and of the fertile regions of Mongolia to the west.

NEW PORT PROJECTED—FREIGHT RATES.

As an adjunct of the projected railway from Hsinmintun to Fakumen the Chinese Government contemplates the founding of a new seaport at Hulatao, in the Lienshan district, which is to be put into direct connection with the Chinese Imperial Railway system. This port, when opened, will afford an ice-free harbor, and being 60 miles nearer to Mukden than Dalny, 100 miles nearer Mukden than Chinwangtao, and only 50 miles from Hsinmintun, its advantages over either Dalny or Chinwangtao as a port of entry and clearance are at once manifest. The new port is to be under the exclusive control of the Chinese Government, which is deemed sufficient justification for undertaking the project, in view of the fact that at present China has no ice-free harbor on the Liaotung Gulf.

Although the year witnessed the readjustment of freight tariffs by the South Manchuria Railway, the rates charged at present are considered rather excessive and undoubtedly cause the railway to lose much freight which it could handle and which is now transported by Chinese carts. This statement applies even more to the Russian line from Kuanchengtzu to Harbin than to the Japanese road. The two principal shippers of foreign goods in Manchuria, the Standard Oil Company and the British-American Tobacco Company, have recently decided that for short hauls of 25 to 75 miles it is cheaper and better to cart their goods across country than to pay the freight charges asked by the railways, and both kerosene and cigarettes are being transported from Kuanchengtzu to Harbin, a distance of 150 miles, by cart.

In the neighborhood of Mukden (at Tienling, 42 miles away, at Liaoyang, 40 miles distant, and at Fushun, 25 miles distant) there are coal deposits of great abundance and excellent quality, some of the coal approaching the best Pennsylvania anthracite in grade. Mukden with its 200,000 population, consumes during the long and severe winters large quantities of coal. Most of the family coal sold here is Fushun coal, from the railway company's own collieries which are only 25 miles distant on a branch line of the South Manchuria Railway. This brittle and inferior coal is sold at \$4.80 to \$6 United States gold per ton. Nor can coal from any of the surrounding mines not under the railway's control successfully compete with the company's output. The result is that whatever coal comes into Mukden from the independent mines comes by Chinese cart, and prices are kept up for the reason that transportation over long distances by horse carts is costly.

CHINA'S CONTROL OF TELEGRAPH LINES.

The most notable event of the year in connection with telegraphic communication was the understanding arrived at between Japan and China, whereby Japan agreed to transfer her military telegraph lines in Manchuria to China, and whereby the submarine cable connecting the Kwangtung peninsula with Chefoo should become a joint undertaking between the two governments. In consideration of this transfer to China of the Japanese land lines, China agreed to pay to Japan a lump sum of money (\$25,000 United States currency) and to grant the Japanese the exclusive right to operate the lines connecting the treaty ports of Antung, Newchang, Liaoyang, Mukden, Tiehling, and Kuanchengtzu for a period of fifteen years. These lines are, however, to be used only for the exchange of telegrams from or to the places under the direct control of the Japanese telegraph system. Japan also undertakes to pay to the Chinese Government a small annual royalty on all messages forwarded over the Japanese-Manchurian telegraph lines. The length of land lines transferred under this agreement aggregates 120 miles, 103 miles of which were originally built by China but which were seized by the Japanese military forces during the late war. Under the new arrangement the Manchurian terminal of the submarine cable to Chefoo is to be located at Dalny instead of at Port Arthur.

During 1908 the Chinese Imperial telegraph system extended its lines in several directions, the most notable extension being the new line connecting Newchang with Antung via Haicheng, Hsinyen, Taku-shan, and Tatungkow. Recently this system reduced its schedule of charges throughout China proper 20 per cent, as compared with former rates, while in Manchuria the reduction is to be 50 per cent.

AFFORESTATION MEASURES—INTEREST IN EDUCATION.

The deforestation of Manchuria, which has been in progress for several hundreds of years, has left the entire country, except the mountainous regions, practically denuded of forest trees, and the demand for railway and mining lumber now threatens to rob even the mountains of their standing timber. To compensate in some measure for the country's loss in this respect, the Mukden government is attempting to encourage the growing of forest trees and has engaged

the services of a foreign forester and placed at his disposal a tract of 700 acres as a nursery for the propagation of forest trees and shrubs.

The past year has witnessed considerable progress in educational matters in Fengtien Province. Many new schools of various kinds have been established and much interest is manifested in the subject of education, especially in the "new education"—that is, education along modern lines. The total number of schools in the province, exclusive of Mukden, is 838, employing 1,448 teachers and having enrolled 29,497 boys and 126 girls. The cost of maintenance for the year was \$310,500, or an average of \$10.49 per student. In Mukden city there are 47 schools, with 298 teachers and an enrollment of 3,773 boys and 351 girls, the cost of maintaining which for the year was \$186,300, or an average cost per pupil of \$45.17. However, since the province has a population of some 10,000,000, this total of 33,747 pupils in its schools makes the average rate of attendance less than one-half of 1 per cent. Although there were only 477 girl students last year, the subject of educating the girls is being widely and favorably discussed, and many more schools will be established for them in the near future.

In addition to the schools mentioned there is in the city of Mukden a school of law devoted exclusively to the teaching of law, both Chinese and foreign. The institution is well housed in a commodious two-story brick building having accommodations for 450 students. The present enrollment is 400, with a corps of 12 instructors, of whom 4 are Japanese and the remainder Chinese who, for the most part, were educated in Japan. The text-books used are Chinese translations from European and Japanese works, and all teaching is done in the Chinese language. The school is maintained at the Government's expense, and is under the direct supervision of government officials.

MANCHURIA'S POPULATION INCREASING.

There has been an appreciable increase in the population of southern Manchuria during 1908, consisting mainly of Japanese immigrants and of Chinese agriculturists from the central Provinces of China. As far as the larger cities of Manchuria are concerned, there has been generally but little change in the population one way or the other. However, Fakumen's population increased 30 per cent, and that of Hsinmintun 10 per cent, but Liaoyang reports a decrease of approximately 12 per cent.

The population of the principal cities of southern Manchuria at the close of 1908 is given in the following table:

City.	Chinese.	Japanese.	Other.	Total.
Antung.....	19, 678	5, 749	35	25, 462
Dalny.....	17, 561	20, 515	45	38, 121
Newchwang.....	52, 000	2, 396	142	54, 538
Liaoyang.....	35, 000	2, 916	5	37, 821
Mukden.....	175, 000	3, 777	90	178, 867
Tiehling.....	28, 500	5, 425	4	33, 929
Kuanchengtzu (Changchun).....	93, 000	7, 561	15	100, 576
Kirin.....	125, 000	500	5	125, 505
Hsinmintun.....	35, 000	105	6	35, 111
Fakumen.....	24, 000	51	3	24, 054
Total.....	604, 739	48, 895	350	353, 984

The net increase of the Japanese population in Manchuria for the year was 14,149, of whom 5,296 settled in the leased territory and 8,853 scattered throughout the country, mostly along the line of the South Manchuria Railway. A conservative estimate of the number of Chinese immigrants during the year would place the figure at 25,000, the majority of the newcomers being of the agricultural class, who have come to Manchuria to find permanent homes and have settled in the fertile regions surrounding Fakumen and Chengchiatun. Should the plans of the Government for the settlement of waste lands meet with success, the number of Chinese arrivals during 1909 will more than treble that for 1908.

ANTUNG.

By CONSUL FREDERICK D. CLOUD.

This region being more agricultural than mercantile in its pursuits, the wave of commercial depression which proved all but disastrous to the trade and commerce of North China during the past eighteen months has not seriously affected the trade of Antung. The various dealers and farmers report that the year was a reasonably profitable one, but complain of the curtailment of the consumer's purchasing power owing to general business stagnation and the low rate of silver exchange. Ordinarily this low rate of exchange would have created a healthy foreign market for the soil products of the district, such as lumber, beans, silk, etc., but because of widespread commercial depression prices in general were somewhat low and profits not so large as was anticipated.

However, outward appearances afford indication of prosperity. The Chinese section of Antung has been all but rebuilt during the year, the additions and alterations being substantial and permanent. The section between the Chinese town and the Japanese settlement now has a system of regularly laid-out streets, some of which connect, by bridges and cuttings through the Japanese dike, with the main roads of the settlement.

YALU VALLEY TIMBER MONOPOLY.

The year also witnessed the inauguration of the Sino-Japanese Yalu Timber Company, the establishment of which was first provided for in the Komura Agreement, signed at Peking in 1905, and made the subject of two subsequent agreements. These conventions provided for the formation of an international joint-stock company for the exploitation of timber in the Yalu River valley, with a capital of \$3,000,000, to be supplied in equal proportions by the Chinese and Japanese Governments, also that after one year's time stock shares are to be issued and sold to Japanese and Chinese investors in equal proportions in order that the concern may be owned privately, and thus relieve the two Governments of the burden of management. The company is to carry on its operations in a strip of territory 20 miles wide, along that part of the Yalu River between Maoershan and what is known as the "Twenty-fourth Valley," near the headwaters of the stream.

The company is empowered to act as sole selling agent for all timber felled by Chinese either in this region or in the Hun River Valley,

which in practice has resulted in the company exercising the right of compulsory purchase and sale of all timber floated down the Yalu to Antung, regardless of its origin. In other words, the new company is exercising a complete monopoly in the disposition of all the timber of the Yalu Valley, thus continuing the practice of the Japanese timber bureau during the past two seasons of forcing raftsmen to dispose of their timber to the company at prices fixed by the company itself. These prices have been better than those paid by the timber bureau mentioned, but have invariably been 10 to 15 per cent less than the real market price of the timber. The prosperity of the entire district depends largely upon the successful marketing of the Yalu's splendid timber.

DIRECT RAIL CONNECTION BETWEEN TOKYO AND PARIS.

The feature of Antung's commercial prosperity that gives greatest promise, however, is the assurance that reconstruction of the railway from here to Mukden will be immediately undertaken and pushed to completion without delay. This entails the bridging of the Yalu River opposite Antung in order that direct connection may be effected between the Japanese railways of Korea and Manchuria. When this connection is established, Tokyo will have, with the exception of one short ferry, direct rail communication with Paris. The \$10,000,000 loan recently floated in London is to be devoted to the reconstruction of the Antung-Mukden line, the final surveys for which are now being made.

The general plans sanctioned by the management of the South Manchuria Railway provide for a northern terminal at Suchiatun, a station on the main line of the South Manchuria Railway some 10 miles south of Mukden. Suchiatun is already the junction of the branch line to the Fushun collieries, having the necessary yards and transshipping facilities. By making Suchiatun instead of Mukden the terminal of the line the company will obviate the necessity of bridging the Hun River and at the same time will save several miles of track. The new route will not otherwise deviate much from the present line, but will be approximately 20 miles shorter, the total length of the new line being 170 miles. It is likewise proposed, in order to induce passenger traffic, to preserve as much of the scenic attractiveness of the present line as engineering considerations will permit. The railway officials promise that active work will be commenced in the early spring and that the conversion of the line will be completed within three years. It is estimated that the cost of reconstruction will approximate \$49,800 per mile.

The reconstruction of the railway and the building of the Yalu bridge will incidentally bring considerable money into Antung and insure a measure of prosperity.

TRADE OF THE PORT.

While the total trade of the port of Antung was \$4,311,791, the net commerce for the year, excluding the reexports of both foreign and domestic goods, was \$3,843,975. In 1907 the total trade, exclusive of

reexports, was \$4,059,488, the imports from foreign countries being \$881,783 and from native ports \$820,280, while the exports to foreign countries amounted to \$390,745 and to native ports \$966,680. The following statement shows the origin of the imports and exports during 1908:

Imports and exports.	Value.	Imports and exports.	Value.
Imports of foreign goods:		Exports of native produce of local origin:	
From foreign countries.....	\$934,011	Exported to foreign countries.....	\$440,965
From Chinese ports.....	834,121	Exported to Chinese ports.....	1,634,427
Total foreign imports.....	1,768,132	Total exports of native produce.....	2,075,392
Reexported to foreign countries...	437,437	Gross value of the trade of the port....	4,311,791
Reexported to Chinese ports (chiefly Chefoo).....	5,276	Net value of the trade of the port, i. e., foreign and native imports and native exports, less reexports.....	3,843,975
Total reexported.....	442,713		
Total net foreign imports.....	1,325,419		
Imports of native produce.....	468,267		
Reexported to foreign countries...	21,848		
Reexported to Chinese ports.....	3,255		
Total native reexports.....	25,103		
Total net native imports.....	443,164		

The direct imports came principally from Japan, either by steamers which anchor on the Korean side of the river just below Antung, or by the Korean railway to New Wiju across the river. The only exceptions to this worth mentioning were 34,000 barrels of flour and 166,666 pounds of sugar from Hongkong, 23,333 barrels of flour from Seattle, and 395,000 gallons of kerosene from Langkat. All coast-wise shipments came from Chefoo.

Of the reexports, \$201,204 represents that portion of Antung's trade in foreign goods with northern Korea which passes through the Chinese customs. There is, however, a very considerable traffic in smaller quantities by both sampan and sledge. Dalny took \$58,374 worth of railway materials, cigarettes, and a few sundries, while in the \$176,985 worth of goods returned to Japan the item of gray shirtings amounted to \$162,702.

The direct imports from the United States, including Hawaii, were valued at \$89,173 in 1908. The year witnessed a change in the tide of favor in which Japanese cotton goods are held, and the old established trade in American staples is gradually regaining its former position.

IMPORTS BY ARTICLES.

Imports of charcoal amounted to 1,072,800 pounds in 1908, with none the year before. There were notable increases in many items, although purchases of rice fell from 2,846,266 pounds in 1907 to only 258,533 pounds in 1908, and imports of foreign cigarettes decreased to 7,755,000 in number, against 78,963,000 for the previous year. Imports of native cigarettes, however, more than doubled. The

quantities of the principal articles imported during 1907 and 1908 are shown in the following comparative table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beer and porter... value...	\$12,915	\$10,067	Flour:		
Candles.....pounds...	113,600	55,733	Foreign.....pounds...	17,563,600	16,078,933
Cement.....do.....		439,466	Native.....do.....	583,066	2,792,133
Charcoal.....do.....		1,072,800	Indigo, liquid.....do.....	115,066	174,400
Coal.....tons.....	3,025	315	Iron and steel, manufac-		
Cotton, and manufactures			tures of:		
of:			Blooms and bars,		
Raw, native, pounds...	246,400	538,266	pounds.....		128,800
Blankets.....pieces...	23,394	71,714	Galvanized sheets and		
Cambrics, lawns, and			plates.....pounds...	37,066	303,466
muslins.....pieces...	2,558	1,394	Nails.....do.....		245,186
Chintzes and plain			Old.....do.....		437,333
cotton prints,			Plates and sheets,		
pieces.....	1,298	2,531	pounds.....		94,800
Cloths—			Matches.....gross.....	141,338	233,223
Chinese, pounds...	135,466	263,600	Oil, kerosene:		
Japanese, yards...	161,210	87,076	American.....gallons...	498,010	577,120
Drills—			Russian.....do.....	17,300	
American, pieces...	10,035	15,734	Sumatra.....do.....	402,420	277,815
English.....do.....	1,490	4,410	Opium.....pounds...	5,333	933
Japanese.....do.....		2,765	Pepper.....do.....		80,000
Flannels.....do.....	1,708	2,612	Rice.....do.....	2,846,266	258,533
Italians, fast black,			Sake.....do.....	915,066	374,400
pieces.....		1,452	Silk, manufactures of:		
Jeans, English, pieces...	10,366	20,546	Pongee, Shantung,		
Lastings—			pounds.....	1,066	4,133
Plain.....do.....	6,641	14,538	Other native piece		
Figured.....do.....	3,258	3,246	goods.....pounds...	10,000	15,200
Sheetings, gray, plain—			Sugar, and manufactures		
American, pieces...	64,640	66,211	of:		
Chinese (Shang-			Brown.....pounds...	324,666	440,666
hal).....pieces...	560	2,360	Refined.....do.....	2,368,133	3,358,000
English.....do.....	2,816		Candy.....do.....		166,800
Japanese.....do.....	3,764	7,960	Tea, native:		
Shirting, gray, plain—			Black.....do.....	19,866	140,933
American, pieces...		8,898	Green.....do.....	158,000	73,733
English.....do.....	5,293	13,111	Tobacco:		
Japanese.....do.....	35,640		Prepared, native,		
Shirting, white, plain			pounds.....	162,933	206,133
pieces.....	11,666	25,013	Cigarettes—		
T-cloths and Turkey			Foreign, number...	78,963,000	7,755,000
red cottons.....pieces...	2,228	3,887	Native.....pounds...	44,666	116,400
Towels.....dozen.....	17,187	33,293	Umbrellas.....number		40,846
Woven cotton, col-			Wood, soft (timber and		
ored.....yards.....	147,776	98,195	planks).....sq. ft.	589,494	
Yarn—			Woolen blankets and		
Chinese (Shang-			rugs.....pounds...	25,905	35,875
hal).....pounds...	167,666	158,400			
English.....do.....	17,200	13,200			
Indian.....do.....	20,266	26,400			
Japanese.....do.....	181,066	257,600			

FALL IN PRICE OF BEANS.

The commercial prosperity of Antung will long continue to depend upon its exports of native products. The staple articles of export are timber, beans, and silk, in all of which there has been encouraging development during the year. Of the total direct exports Dalny took \$14,283, practically all timber; \$15,904 went to Korea, over one-third of which was cargo in transit to Japan, and \$409,860 represented direct shipments to Japan.

Beans were the most disappointing of the staples during the year. Many middlemen, especially Japanese, through winter purchases following upon a year of good values and preceding the disastrous fall of prices which occurred in the spring, lost heavily. The average price in 1908 was lower than in any of the preceding six years. The merchants' guild offers in explanation the facts that, owing to commercial depression in Japan, the Japanese market failed to meet expectations; that the South China demand was greatly lessened

through disturbed agricultural conditions; that the sudden cessation of poppy cultivation diverted a much larger area of land to bean culture, greatly increasing the supply of beans; and finally, that the facilities afforded by the South Manchuria Railway in bringing the Liao River valley and the north country into easier and quicker reach of the seaboard, injected a keener element of competition into the trade than Antung had heretofore known.

SILK INDUSTRY GROWING.

Although timber has been and still is regarded as the most important article of Antung's export trade, owing to the large number of men engaged in cutting, rafting, and marketing, wild silk may gain the lead if development continues through the coming years as is now promised. In 1907 the exports of raw silk and cocoons from this port amounted to 473,333 pounds and 11,060,400 pounds, respectively, while in 1908 the exports of raw silk were 1,086,400 pounds, and of cocoons 12,856,800 pounds. The total value of the silk crop of 1908 was approximately \$1,552,500, yet this figure is said by the silk merchants to afford an erroneous idea of profits because of the poor prices received. The farmers are reputed to have realized very little profit. In some instances, in fact, they are said to have sustained actual losses. The prices in 1907 for cocoons ranged from 52 to 72 cents per thousand, while during 1908 they were 50 to 56 cents per thousand. It is satisfactory to note, however, that this industry is rapidly expanding, and as the forests are cleared away still greater areas will be devoted to agriculture.

TIMBER PRICES—PRODUCTION OF OPIUM.

Official figures give the total number of rafts for the year, from both the Yalu and Hun rivers, as 5,040, valued at \$2,373,500. Prices continued low, owing to the sluggishness of the Tientsin market. The widening of the general market for Yalu timber, however, together with the general advance in lumber prices throughout the world, gives promise of increasing activity and prosperity in the timber trade, if the arrangement between the new Yalu Timber Company and the lumbermen and wood hong proves successful. Unfortunately the immediate outlook is not very bright, the number of cutters and raftsmen having been reduced to less than one-third that of an average year.

It is inadvisable, with the meager and unreliable information obtainable, to give a numerical estimate of the proportion of arable land devoted to poppy cultivation. It can be stated, however, that in all the districts of the Yalu Valley save one there is but a very small percentage of the land thus employed at the present time. Formerly from 20 to 30 per cent of all the tillable land is said to have been devoted to the poppy. A resident missionary reports that in one magistracy there were in 1907 approximately 3,000 acres under poppy cultivation, whereas in 1908 he could not discover a single acre thus employed. It appears that the measures taken by the Chinese officials for the restriction of poppy culture and the opium habit have already produced sufficiently encouraging results to afford, in this part of China at least, a very promising earnest of what the future will bring.

EDUCATION—POPULATION—REVENUES.

During the past year a Chinese normal school was established on one of the hills back of the town. The buildings are new and commodious, and the school opened with 30 students. There is also a public elementary school with an enrollment of 143 boys.

In June the Chinese Imperial Telegraphs brought Antung into connection with its service by extending a line from Newchwang via Haicheng, Hsinyen, Takushan, and Tatungkou. Toward the close of the year the Antung Electric Light Company, a joint-stock company in which Chinese are said to hold a few shares, began operating its plant in the Japanese settlement for lighting purposes.

The revenues collected at Antung during 1908 amounted to \$91,586, from which should be deducted 38 drawbacks marked for cash payment, aggregating \$1,630.

DALNY.

By CONSUL ROGER S. GREENE.

The condition of business in Dalny during 1908 can not be called wholly satisfactory. The import trade, in which the United States is chiefly interested, was very dull, and almost all the firms here felt the pressure of hard times. A number of Japanese business houses closed their local branches or liquidated entirely, while others were obliged to reorganize. Toward the end of the year, however, the slight improvement in the silver market, the success of the bean crop, and the consequent activity in exports caused a more hopeful view to be taken of the situation. There seems to be good ground to hope for a steady growth of business, when it is considered that in spite of the hard times the population increased 20 per cent, and that while imports showed only a slight gain exports increased 60 per cent and direct exports to Europe were made for the first time. Bank loans and deposits doubled, the value of buildings for which permits were issued was nearly twice as much as in 1907, salt production in the province and the fish catch also nearly doubled, and a flourishing bean-oil and bean-cake industry at Dalny practically had its beginning in 1908.

More encouraging still is the growth of Chinese business here. The value of trade between Dalny and other Chinese ports in 1908 was twice the amount in 1907, and Chinese investments in real estate, judged by the building permits issued, were four times what they were in 1907. The number of small Chinese merchants coming here to sell their produce is growing rapidly, and, while they do not yet buy much in the province, that will probably come later. At present there are almost no stocks of the principal staples kept in Dalny. As the commercial prosperity of the city depends mainly on the Chinese, signs of their increasing interest in this section seem significant, especially as they come in a time of commercial depression. However much the Chinese may work to develop other ports, the best customers for their Manchurian products are the Japanese merchants, and the best market for their beans will be, as here, where there are many Japanese. If to these facts are added the natural advantages possessed by this city with its ice-free harbor, its fine wharves, and excellent railway connections, there is surely ground to predict a great future for Dalny.

AVAILABLE STATISTICS NOT ACCURATE.

Statistics of trade at Dalny are not yet sufficiently accurate to show the exact value of imports and exports, and as the custom-house has been established but a year and a half only a rough comparison with previous years is possible. The customs returns for 1908 place the direct imports from foreign countries into the Dalny (Dairen) customs district at \$11,569,109, and the exports of goods of domestic origin at \$4,934,094, making the total value of the direct foreign trade \$16,503,203, exclusive of reexports of foreign goods, which came to \$201,845. If to these figures is added the value of the coasting trade by steamers and junks with other ports of China, \$23,854,256 is obtained as the total value of the foreign and domestic sea-borne trade of Dalny. The following table from the Imperial Chinese maritime customs returns, which does not include foreign goods imported from Chinese ports, shows the distribution of this foreign trade:

Country.	Imports of foreign goods.	Exports and reexports of native goods.	Total.	Reexports of foreign goods.
United States.....	\$3,762,653	.....	\$3,762,653	\$210
Germany.....	42,884	.....	42,884	.....
Hongkong.....	24,722	\$119,000	143,722	.....
Japan, including Formosa.....	6,824,440	4,574,057	11,398,497	177,484
Korea.....	619,087	1,209	620,296	24,119
Russia, Asiatic.....	25,820	.....	25,820	32
Singapore, etc.....	269	.....	269	.....
United Kingdom.....	269,234	239,828	509,062	.....
Total.....	11,569,109	4,934,094	16,503,203	201,845

CHINESE AND JAPANESE FIGURES VARY.

For the purposes of comparison with 1907 it is necessary to use the figures published by the Japanese local government, which are supposed to refer only to the port of Dalny (Dairen), whereas the Chinese customs statistics include the whole district—Port Arthur and the various junk stations—causing many apparent discrepancies; and the figures vary further because the Japanese include among the exports the narrow-gauge rolling stock sent back to Japan by the railway company, and because in turning into yen the taels in which the customs entries are stated the Japanese use an arbitrary rate which is very high. The Japanese figures of the imports and exports in 1907 and 1908, converted into United States currency, are as follows:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
Japan.....	\$3,134,034	\$3,429,393	\$4,689,224	\$11,589,192
China.....	1,089,516	2,031,346	2,584,636	5,756,227
Korea.....	536,335	678,718	11,341	17,628
Europe and America.....	4,186,068	4,538,366	.....	401
Total.....	13,945,953	15,677,823	7,285,201	17,363,448

According to the Japanese figures there was an increase of over 12 per cent in imports and of about 63 per cent in exports, even excluding the reexports of foreign goods amounting to \$5,448,085.

IMPORTS BY ARTICLES.

Chinese customs returns for the Dairen district show a wide variety in the articles imported. The following table giving the chief items brought into the Kwangtung Province by way of Dalny, from foreign countries, in 1908:

Articles.	Value.	Articles.	Value.
Asbestos.....	\$4,509	Iron and steel, manufactures of:	
Bags of all kinds.....	73,658	Anchors, anvils, chains, and forg-	
Building materials.....	158,616	ings.....	\$7,963
Buttons.....	1,071	Bars.....	37,924
Candles.....	37,164	Castings, rough.....	7,584
Carpets.....	1,380	Cutlery.....	2,249
Carriages, bicycles, etc.....	27,463	Galvanized sheets.....	196,590
Cement.....	197,788	Hardware.....	212,635
Charcoal.....	106,649	Hoops, etc.....	2,344
Chemicals and medicines:		Machinery—	
Chemicals.....	7,092	Sewing and knitting.....	7,994
Medicines.....	54,489	Other.....	586,497
Clocks and watches.....	16,744	Nails and rivets.....	24,693
Clothing:		Pigs and kentledge.....	1,965
Boots and shoes.....	15,918	Pipes and tubes.....	134,768
Haberdashery.....	15,313	Railway plant and materials.....	3,895,874
Hats, caps, etc.....	187,415	Safes, etc.....	7,957
Hosiery.....	32,775	Sheets and plates.....	34,723
Coal.....	81,534	Stoves and grates.....	11,654
Coke.....	1,413	Wire and wire rope.....	16,606
Corks.....	2,736	Other.....	12,751
Cotton, and manufactures of:		Lamps and lamp ware.....	13,188
Raw.....	28,090	Launches, boats, and lighters.....	6,565
Blankets.....	2,203	Leather, and manufactures of.....	9,949
Cambrics, lawns, and muslins.....	3,148	Matches and match-making materials.....	30,941
Cloths, Japanese.....	111,422	Mats of all kinds.....	37,971
Covers, bed and table.....	7,006	Metals, and manufactures of:	
Drills—		Brass and yellow metals.....	2,999
English.....	1,309	Copper—	
Japanese.....	29,257	Bars, rods, sheets, etc.....	9,214
Flannel, Japanese.....	17,067	Ingots, slabs, and ore.....	16,065
Handkerchiefs, Japanese.....	1,143	Other.....	3,727
Sheeting, gray, Japanese.....	65,343	Lead, pigs, bars, sheets, etc.....	16,278
Shirting, gray—		Tin slabs and tinned plates.....	732
American.....	2,322	Zinc.....	19,985
English.....	15,164	Other.....	6,694
Japanese.....	290,035	Mushrooms.....	3,056
Shirting, dyed.....	1,879	Oils:	
T cloths, Japanese.....	4,987	Engine.....	19,356
Thread.....	33,650	Kerosene—	
Towels, Japanese.....	3,694	American.....	4,971
Yarn.....		Russian.....	25,805
Indian.....	2,195	Paper, and manufactures of:	
Japanese.....	40,734	Books and charts.....	44,655
Other.....	55,734	Paper.....	122,234
Earthen and china ware.....	38,234	Stationery.....	43,582
Electrical material.....	181,172	Photographic materials.....	6,858
Fans.....	3,590	Provisions:	
Fish:		Butter and cheese.....	735
Beche de mer.....	1,874	Confectionery.....	1,314
Other.....	119,094	Macaroni and vermicelli.....	2,882
Flour.....	367,327	Milk, condensed.....	12,397
Fruits, dried.....	33,185	Rice.....	656,320
Glass, manufactures of:		Seaweed and agar-agar.....	3,070
Window.....	2,447	Silk, manufactures of.....	39,631
Glass and glassware.....	49,313	Soap.....	20,252
Hides and skins.....	2,092	Spirits, wines, etc.:—	
Ink, printing and lithographing.....	25,850	Beer and porter.....	151,048
Instruments and apparatus:		Spirits.....	6,039
Medical and surgical.....	10,395	Wines.....	379,684
Musical.....	5,430	Stores:	
Scales and balances.....	5,301	Household.....	459,226
Scientific.....	3,742	Marine and engineers'.....	33,955
Telegraphic, and materials.....	71,861	Sugar.....	76,666

Articles.	Value.	Articles.	Value.
Tea, Formosa.....	\$12,624	Wood, and manufactures of:	
Textiles, n. e. s.:		Casks, empty.....	\$2,825
Oil cloth.....	2,659	Furniture and furniture material.....	108,567
Other.....	1,675	Timber, hard and soft.....	381,102
Tobacco:		Other.....	382,365
Leaf.....	23,034	Wool, manufactures of:	
Cigars and cigarettes.....	230,936	Blankets and rugs.....	12,558
Toilet preparations:		Felt and felt sheathing.....	3,259
Perfumery.....	2,061	Flannel.....	3,700
Other.....	34,791	Other.....	20,668
Toys.....	1,688	All other articles.....	109,620
Umbrellas, Japanese.....	4,164		
Waters, aerated and mineral.....	20,131	Total.....	11,569,109

In addition to imports entered at the custom-house at Dalny, a considerable amount of traffic passed through the various junk stations of the district, and while the value of these imports, by articles, can not be obtained, some idea of the volume of this business in 1908 may be gained from the following table, which shows the quantities of the principal articles imported:

Articles.	Quantity.	Articles.	Quantity.
Animals (live stock).....number..	1,837	Fruits and vegetables—Continued.	
Brooms, straw and bamboo.....do...	16,725	Other.....value..	\$20,297
Building materials.....value..	\$6,688	Groundnuts.....pounds..	52,133
Coal.....tons..	3,209	Hides, cow.....do...	16,733
Cotton, raw.....pounds..	50,133	Joss sticks.....do...	32,000
Earthenware:		Mats, straw.....number..	122,230
Bricks and tiles.....number..	4,433,227	Paper:	
Pottery.....pounds..	240,400	Joss.....pounds..	8,133
Eggs, fresh.....number..	6,343,403	Other.....do...	417,200
Firecrackers.....pounds..	143,600	Rice.....do...	2,740,800
Fish:		Samshu.....do...	135,467
Dried.....pounds..	398,133	Sauce, bean.....do...	213,200
Fresh.....do...	968,000	Shoes, Chinese.....pairs..	14,427
Fishery products.....value..	\$2,177	Tobacco.....pounds..	163,333
Fruits and vegetables:		Wood:	
Dates, red.....pounds..	166,133	Firewood.....do...	7,193,333
Garlic.....do...	73,200	Timber, various.....value..	\$60,781

JAPAN HOLDS FIRST PLACE.

First place in the import trade of Dalny is held by goods from Japan, which were valued by the customs last year at \$6,824,440, but which Japanese figures place at \$8,429,393. This total is made up of a large variety of articles, from lumber and railway material to notions, and a great part simply represents the supplies of food, clothing, furniture, etc., drawn from Japan by Japanese residents in Manchuria for their own use. Of the staple goods for the Chinese market, the most important are cotton goods and cigarettes. About 4 per cent of the imports from Japan are goods received in Japan from other countries. The imports from Japan during 1908, by arti-

cles, were as follows, according to the Japanese Imperial customs returns:

Articles.	Value.	Articles.	Value.
Beer.....	\$157,892	Lamps and parts.....	\$13,816
Cement, Portland.....	295,339	Matches.....	39,324
Charcoal.....	144,320	Metals, and manufactures of:	
Chemicals, drugs, and medicines:		Copper—	
Prepared medicines.....	22,598	Ingots and slabs.....	29,277
Other.....	9,411	Wire.....	25,079
Cigarettes.....	324,270	Other.....	903
Clothing, European.....	73,435	Mineral water.....	10,474
Coal and coke.....	105,684	Paper, and manufactures of:	
Comestibles.....	72,634	Books and journals.....	36,612
Cotton, manufactures of:		Letter paper and stationery.....	11,190
Flannels.....	14,540	Other.....	121,950
Imitation nankeens.....	39,904	Porcelain and earthenware.....	89,599
Mixtures.....	61,706	Sake.....	474,690
Shirtings and sheetings.....	552,260	Soap.....	29,101
Underwear.....	34,247	Socks and stockings.....	13,669
Yarn.....	74,437	Sugar, refined, and rock candy.....	77,775
Other.....	349,187	Tea.....	25,978
Fruits, nuts, and vegetables.....	129,372	Toilet articles.....	26,187
Glass, manufactures of.....	29,477	Vessels, steam and sailing.....	110,750
Instruments, scientific.....	46,331	Wood, manufactures of:	
Isinglass, vegetable, seaweed, etc.....	94,107	Timber, boards and planks.....	940,147
Hats, caps, and bonnets.....	31,649	Other.....	100,530
Iron and steel, manufactures of:		All other articles.....	2,738,361
Machinery—			
Printing, and parts.....	17,709	Total.....	8,429,393
Other.....	373,718	Reimports.....	351,461
Railway sleepers.....	64,391		
Other.....	295,413	Grand total.....	8,780,854

UNITED STATES RANKS SECOND IN IMPORTS.

The United States is second in the import list, with \$3,762,653, according to customs figures, or about 32 per cent. This was almost entirely trade with the Japanese in Manchuria, and was made up mainly of supplies for the South Manchuria Railway Company. The figure seems to be too small, as the value of railway supplies ordered in America and received during 1907 and 1908 was approximately \$10,409,000, of which much less than half came in during 1907. The explanation may be that entries of duty-free goods for the railway or for general consumption in the leased territory are less carefully prepared, as to details, by the consignees. The American staple articles destined for the Chinese market in Manchuria do not yet come through this port in large quantities, and those that do come by this route are almost entirely from Shanghai or Chefoo. This applies to cotton goods, kerosene, and cigarettes, and, to a certain extent, to flour. Now that the first orders for railway supplies have been filled, it seems likely that direct trade between the United States and the port of Dalny will dwindle very rapidly, for this port is off the route of the regular liners and ships will not call here unless considerable cargo offers; but as the American goods which the Chinese want can now very easily be shipped up from Shanghai, this is not quite so serious as it might seem.

The third place among countries shipping direct to this port is held by Korea, imports from which amounted to \$619,087 according to Chinese figures, or about 5 per cent, almost all of this being rice. The greater part of the rice sold here is from Korea, and as it is both good and cheap it finds a ready market. The business is in the hands

of Japanese firms established in Korea, which maintain branches in Dalny. The United Kingdom comes fourth, imports from that country being valued at \$269,234, mostly machinery and other metal goods. To Germany is credited \$42,884 for similar articles; to Russia, \$25,820 representing kerosene; and to Hongkong, \$24,722. The foreign goods brought in from Chinese ports were valued at \$1,133,214, but it is impossible to determine what proportion of this amount should be assigned to each of the various countries of origin. The domestic goods brought in from Chinese ports were valued at \$1,310,622.

RAILWAY MATERIALS NEEDED.

The rails, locomotives, bridge work, and most of the cars purchased on the first orders for supplies for the South Manchuria Railway were bought in the United States and delivery was completed last year. Of the new purchases under this head, the most important were an order placed in Russia for some 6,600 tons of steel rails worth about \$250,000, a new electric-power outfit costing \$135,000, ordered in the United States; rails, cars, and trucks for the Dalny street railway, ordered in Germany and England and costing approximately \$277,000; and a gas-generating plant and distributing pipes, purchased in Germany and Great Britain, respectively. About \$300,000 was appropriated for this plant and equipment. Many of these articles have not yet been delivered and business in this line of goods is not ended. Inquiries have been sent by the railway company to selected manufacturers in the United States, Great Britain, and Germany for bids on 200 to 300 coal cars, and as the specifications are based on plans drawn by an American builder, the manufacturers of the United States should have an advantage in competition. Moreover, the new line for the Antung-Mukden railway is now being surveyed and orders for rails and bridge work must be placed before long. The natural development of the road will probably result in small orders for such supplies every year, even after this first work is completed. Imports of railway materials from Japan during 1908 were valued at \$780,740, the largest items being sleepers and freight cars.

MANCHURIA'S TRADE IN COTTON GOODS.

Dalny itself is not a market for cotton goods, except in a retail sense, but large quantities of cotton manufactures are forwarded from this point into the interior. Local dealers engaged in forwarding these cotton goods report that on account of the depression in the bean market in 1907 farmers did not realize on their crops as quickly and as profitably as had been hoped, and consequently their purchasing power was reduced. Moreover, the continued depreciation of silver discouraged importers from placing orders. It is said that the Japanese cotton goods syndicate, which had previously allowed its agents considerable freedom to reduce prices in order to introduce its goods, began to feel that the loss thus incurred was too heavy, and consequently insisted that prices be raised. This naturally had some effect on the sales of Japanese cottons. In the Chinese retail stores here the shirtings, sheetings, and drills are almost all of American

origin, with some English goods in the finer grades. In cotton flannels and narrow cotton cloth, the Japanese makes seem to be popular on account of their cheapness, while in prints Russian goods predominate.

The statistics of direct trade with foreign countries show the imports from Japan of plain gray shirtings, sheetings, drills, and T cloths, which are the most important items in the Chinese cotton-goods trade, to have amounted to 218,899 pieces, while English goods of the same nature amounted to only 6,027 pieces, and the American to 960 pieces. A little over three-fourths of the Japanese imports referred to come under the head of gray shirtings.

American shirtings, sheetings, drills, jeans, and cotton flannels brought in through Chinese ports amounted to 80,270 pieces, of which 74,281 were sheetings; while English goods, of which over two-thirds were jeans, amounted to 14,360 pieces. From Chefoo and Shanghai came also 6,906 pieces of various Japanese cottons of the classes that compete with foreign goods. The total value of Japanese goods of this kind brought in from both foreign and Chinese ports was \$420,210; of American goods, \$210,330; and of English, \$49,400. From Japan come also considerable quantities of narrow cotton goods, towels, underwear, etc. According to the customs returns, the cotton goods forwarded to the interior were valued at \$789,922, and included 228,640 pieces of Japanese gray shirtings, sheetings, drills, and T cloths; 66,444 pieces of American goods of the same kinds, and 11,275 of English manufacture. In the American and English lists are included also jeans, which are not imported from Japan.

OUTLOOK FOR AMERICAN COTTON GOODS MORE HOPEFUL.

Comparison with 1907 is difficult. The total value of imports of cotton goods at Dalny is reported in the Japanese local statistics for 1908 as \$1,313,377, against \$1,485,531 in 1907, a slight falling off compared with even that unfavorable year; but if the customs returns of goods forwarded to the interior in the second half of 1907 are taken as a basis of comparison, it is found that the American goods shipped in 1908 divided by two show an increase of about 300 per cent over the half year of 1907. Merchants also seem to regard the outlook for American goods as distinctly more hopeful now, especially with the success of the bean crop and the consequent increase of the purchasing power of the people. It seems, however, that it will be difficult to do a large business unless American merchants can bring their goods to the market in the interior and either take native products in exchange or enter into some arrangement with an export house to buy their bills. Considerable loss is involved in making remittances through the banks, as there is not yet sufficient competition to keep the rates down, and the state of the currency makes banking expensive.

Cotton yarn imported from foreign and Chinese ports amounted to only 1,076,000 pounds, of which 602,400 pounds were Indian yarn, 471,600 pounds Japanese, and the remaining 2,000 English. According to the Japanese statistics, this business showed a fair increase compared with the previous year, but even now it amounts to but \$133,879 in value, as reported by the Chinese customs, though the Japanese local report places it at \$245,671.

The weekly sailings now maintained between Shanghai and Dalny undoubtedly have a favorable effect on all cotton-goods trade, and it is interesting to note that a Russian merchant buying Chinese raw cotton, which on account of the European tariff can be profitably imported into Russia only by way of the Siberian railroad, finds it more advantageous to ship via Dalny and Changchun than via Vladivostok, though sending by this route involves an additional transshipment at Changchun. It is difficult to understand how such a long haul can be profitably made, for the total freight comes to nearly \$50 per ton, but the special kind of cotton obtained in certain parts of China seems to be in demand in Russia.

AMERICAN FLOUR IMPORTS DECREASE.

The flour business was much depressed during 1908, partly on account of the exchange and partly on account of the abundant crops in Manchuria and the consequent cheapness of native food products. A few direct shipments, amounting to about 241,000 bags, were received from America early in the year, but two of the large Japanese buyers were obliged to dispose of their holdings and most of this flour was bought up by other dealers in order to save the market, with the result that the average price of American flour during 1908 was \$1.04 per quarter sack. Some flour from the Japanese mill at Tiehling was brought down during the year, and was offered at prices about 2½ cents less per bag than the American, but this difference in price was not enough to make up for the difference in quality with the Chinese buyers. In October the market for American flour improved on account of the rise of silver exchange, but one of the principal dealers complains that, though there is some demand, he can not order in sufficient quantities to secure a direct steamer. As a result, about 127,000 bags of American flour were shipped to Dalny from Japan during the year, and about 80,000 from Shanghai and Chefoo. According to the customs statistics, the shipments of American flour from foreign countries during 1908 were valued at \$367,327, and from Chinese ports at \$80,086, or \$447,413 in all, whereas in 1907 the Japanese figures gave \$715,240 as the total value of flour imports.

AMERICAN KEROSENE POPULAR.

Kerosene imports fell off about 30 per cent compared with 1907, but this was largely due to the fact that early in 1907 large shipments were made to the interior through Dalny on account of there being no customs duties collected at this port until July of that year. In general, the condition of the business, which is still merely local, was not bad. About 88,600 cases of American oil were received during the year, of which 4,100 were from foreign countries (probably Japan), while 84,500 were from Chefoo and Shanghai; and, according to the customs, 14,745 cases were sent into the interior from Dalny. Official sources give the amount of Sumatra oil imported as only 7,000 cases, all coming from Shanghai. The actual quantity, however, was 20,500 cases. In 1908 the average price of American kerosene of the grade known as "brilliant" was \$1.04 per case. Russian oil is commonly quoted about 14 cents per case lower, the second American grade about 7 cents below the Russian, and the better grade of

Sumatra is about 7 cents cheaper than the second grade of the American oil. American oil continues to be the most popular.

Neither the American nor the Russian company is prepared to import on a large scale, and can not be ready to do so much before next year. The American company has completed its agreements with the Government and the railway company, and will shortly begin work on its plant. The Sumatra oil interests are making Newchwang their importing point and are preparing here for merely the local business. Nothing more is heard of the proposed Japanese refinery for which land was granted two years ago, and it is doubtful if the capitalists interested will even build a storage plant in the near future, as there seems little chance of profit in view of the competition already existing. With the American and Russian companies making their headquarters here, however, Dalny will no doubt be the principal oil depot for Manchuria. It is likely that a profitable junk trade in kerosene will grow up when the bulk plants are completed.

IMPORTS OF OREGON PINE.

During 1908, 2,500,000 feet of Oregon pine were imported by a Japanese firm, principally on orders from the railway company and local dealers. The lumber was in logs from 20 to 72 feet long (lengths from 22 to 55 feet predominating) and varied in size from 1 foot to 2 feet 2 inches in the cross section, the greater part being about 1 foot 8 inches. According to local contractors, this is the best way of importing at present, as the sizes of lumber used here vary so greatly that it is cheaper for builders to buy the logs and saw them up to meet their own requirements. This pine was sold to dealers in large quantities at \$32.37 per 1,000 superficial feet, while retail lots sold for about \$40. The customs statistics place the imports of soft wood from foreign countries at 23,920,746 superficial feet. Besides the imports from America, which were not all credited in the customs returns, Korea supplied 1,072,645 superficial feet, and the balance of the foreign soft-wood imports came from Japan. From Chinese ports (Chefoo, Antung, and Tientsin) came 54,209 superficial feet. The Japanese and Yalu pine of medium quality sold in 1907 and at the beginning of 1908 for about \$27.50 per 1,000 feet, but the price fell to \$17.50 toward the latter part of the year, and most of the lumber merchants suffered serious loss on this account. Hard woods imported from abroad amounted to 19,285 cubic feet, all being from Japan.

HARDWARE—CIGARS AND CIGARETTES.

Russian builders' hardware continues popular, as almost anything required can easily be bought in Harbin. Two or three American salesmen have been here, and there has been considerable interest in their goods, but few sales, because of the difficult terms and the length of time required to fill orders. If American goods could be obtained quickly, their substitution would often be approved, but there is usually no time to order from America. It is obviously impossible for American manufacturers to keep stocks in every place as small as Dalny is now, but if a good supply of the principal articles, such as hinges, bolts, latches, and locks could be kept at a central point like

Shanghai, and this fact made known to the trade throughout this section, the result would doubtless be satisfactory. Hardware imported from foreign countries in 1908 was valued at \$212,635.

The imports of cigars and cigarettes increased about 160 per cent during 1908. The British-American cigarettes, of which the cheapest brands are now practically Chinese manufactures, are still competing with the products of the Japanese monopoly bureau and the Russian cigarettes, and there are seen also various Chinese, Philippine, and Turkish brands. Manila cigars are sold everywhere, and as they are not subject to any taxation whatever the business is likely to increase. European cigars are sold, but in small quantities compared with the Manila cigars. Japanese local statistics placed the value of cigars and cigarettes imported in 1908 at \$650,733, this figure including those of the coasting trade, while statistics published in Japan give the exports of Japanese cigarettes to this district during the twelve months ending October 31, 1908, as 412,675,000, valued at \$324,270.

INCREASE IN EXPORTS.

The most notable feature of the year's trade was the extraordinary increase in exports, particularly during the season beginning with the fall of 1908. The value of the principal native articles shipped to foreign countries, according to Chinese figures, is shown in the following table:

Articles.	Value.	Articles.	Value.
Beans.....	\$1,807,034	Silk and manufactures of:	
Bones.....	10,765	Raw, wild.....	\$36,633
Coal.....	14,170	Shantung pongee.....	4,185
Fish and fishery products.....	3,836	Other piece goods.....	500
Furs.....	2,658	Skins and hides, undressed:	
Hair.....	2,032	Cow and buffalo.....	1,169
Medicines.....	1,548	Horse, etc.....	4,109
Oil, vegetable.....	20,313	Other.....	195
Oil cake, bean.....	2,959,998	Tallow, beef.....	1,778
Provisions and vegetables.....	4,488	All other articles.....	28,257
Seeds:		Total.....	4,934,094
Sesame.....	25,719		
Other.....	4,617		

The quantity of the principal articles exported through the various junk stations during 1908 is shown in the following table:

Articles.	Quantity.	Articles.	Quantity.
Animals:		Fruits and vegetables, fresh..... value..	\$3,679
Mules..... number.....	6,494	Grain:	
Other..... do.....	601	Kaoliang..... pounds.....	36,689,333
Beans..... pounds.....	52,798,833	Maize..... do.....	19,570,133
Bones..... do.....	13,333	Millet..... do.....	7,629,467
Clothing..... do.....	65,733	Mats, straw..... number.....	110,537
Coal..... tons.....	1,143	Oil, bean..... pounds.....	2,204,533
Earthenware:		Oil cake, bean..... do.....	15,871,467
Bricks and tiles..... number.....	75,830	Samshu..... do.....	597,333
Pottery..... pounds.....	144,133	Silk, cocoon, wild..... do.....	1,024,800
Eggs, fresh..... number.....	699,650	Wood:	
Fish:		Firewood..... do.....	1,073,867
Dried—		Timber, various..... value.....	\$10,135
Shrimps..... pounds.....	18,000		
Other..... do.....	248,833		
Fresh..... do.....	35,067		
Fishery products..... value.....	\$989		

EXPORTS OF BEANS AND BEAN CAKE.

The value of goods sent to foreign and Chinese ports from Dalny in 1908, exclusive of reexports, was over 60 per cent greater than in 1907, in spite of the fact that the price of beans, the principal staple, fell from about \$2.05 United States currency in 1907 to an average of about 95 cents per picul (133½ pounds) in November and December of 1908. The average price for the whole year, however, was \$1.326 per picul, and for bean cake about 54½ cents per cake of 61½ pounds. During the December quarter of 1908 the quantity of beans and bean cake exported was more than twice that for the corresponding period of 1907, and during the month of January, 1909, the amount brought down by train was three times the amount for January, 1907. The total exports for 1908 of beans and bean cake amounted to 417,516 tons, against 295,681 tons the previous year. Though many merchants still buy in the interior, a flourishing bean exchange has grown up at Dalny during the year, where large stocks can be purchased.

A very important result of the abundant bean crop, the improved transportation, and the low price of beans has been the beginning of a direct export business from Dalny to Europe. Before the close of 1908, 13,000 tons had been shipped to England, and since January 1, 1909, three more large cargoes have been sent to Europe, while a number of Shanghai and London merchants have sent representatives here to buy beans. There have been several inquiries for beans, bean cake, and bean oil from the United States, but so far as can be learned no business has yet resulted. While Manchurian beans and their products will probably compete with American agricultural products in Europe, it seems hopeless to expect any great increase in the purchasing power of Manchuria unless a wider market for its products can be found than could hitherto be secured; and with the increasing prosperity of the country a correspondingly greater demand should arise for the American staples, which already enjoy such a good reputation among the Chinese.

Bean oil exports amounted to 5,563,600 pounds, of which all but 775,467 pounds went to Chinese ports, the average price of the oil being a little less than \$4.17 per 100 Chinese kin (116½ pounds).

EXPORTS OF WILD SILK AND COAL.

Exports of raw wild silk during 1908 are valued in the local Japanese statistics at \$1,777,421, almost six times as much as in 1907. The customs give the direct exports to foreign countries as only \$36,633, the greater part of the output being sent to Chefoo and Shanghai. A considerable quantity of wild silk is imported into the United States, and there seems no good reason why it should not be shipped directly from Dalny, thus saving the additional handling and commissions in Chefoo or Shanghai.

Coal seems destined to become an important item among the exports, but the business is still in an experimental stage. In 1908 shipments to foreign countries amounted to 4,686 long tons. Already the South Manchuria Railway Company has a contract for furnishing coal to the mail steamers of the Osaka Shosen Kaisha, which come here twice a week from Osaka and Kobe. The price has not been

made public, but it would seem to be not far from \$2.75 to \$3 per ton delivered on board, and at this low cost it is said to be quite satisfactory.

With the exception of \$239,828, representing the customs valuation of beans shipped to England, and \$1,209 for exports to Korea, the entire foreign export trade of Dalny is with Japan, the total value of exports to that country being \$4,574,057. Only one item was declared for export to the United States in 1908, \$148.45 worth of household and personal effects.

CUSTOMS REVENUE—BANKING.

The revenue of the Dalny customs for the year 1908 amounted to \$359,496. The banking business of the port of Dalny continues to be practically in the hands of the Yokohama Specie Bank. A movement was started to secure the establishment of another credit banking concern, which could assist the smaller traders, but no definite results have been obtained.

The fluctuation of exchange was again very marked. The value of the silver yen, which is still the basis of the Japanese banking system in Manchuria, varied from 45.69 cents United States currency to 39.34 cents. The exchange between the Japanese silver notes and the Chinese small silver coins, in which most of the Chinese business here is transacted, also fluctuated to an extent that seems almost incredible, considering that they represent the same metal. There is a great demand for small coin while the crops are being moved in South Manchuria, the ordinary supply of currency being apparently quite insufficient at such times. The disastrous effects of the double fluctuation may be imagined when it is considered that an article costing 50 cents United States currency could be purchased here for \$1.11 in Chinese small coin in January, but would have cost \$1.37 in May. In addition, the Government proclaims from time to time its own rate for the exchange of the gold and silver yen, which differs more or less from the bank rate, and the South Manchuria Railway Company has a rate of its own.

INCREASE IN SHIPPING—FREIGHT RATES.

The shipping of the port showed a fair increase, the arrivals at Dalny having been 1,375 steamers registering 1,147,287 net tons, against 1,272 registering 957,963 tons in 1907. There was thus an average of 3.7 steamers with an aggregate tonnage of 3,143 net entering the port daily. Ordinary sailing vessels arriving numbered only 72, with a total of 3,348 tons net register, all being Japanese. Shipping registered in the Port Arthur station included 190 steamers of 66,312 net tons, and 6 sailing vessels of 657 tons. Of the steamship tonnage, about 80 per cent was under the Japanese and about 15 per cent under the British flag. No American ships touched at the port, but 25 steamers arrived from the United States—16 from New York with supplies for the railway company, 6 from Seattle, 2 from Tacoma, and 1 from Portland, the cargo of the last three being flour and lumber. Until the bean shipments to Europe began, steamers carrying cargo outward were all bound for Asiatic ports. The Chinese junk trade made good progress, for while the arrivals

reported in 1907 were only 1,088, during 1908 there entered at the harbor office 2,758 junks of 36,879 tons.

While steamers from the United States were more numerous in 1908 than those from Great Britain, they were so irregular that merchants could not count on them very far in advance; and, now that most of the railway supplies have been delivered, steamers from New York are becoming few in number, while the depressed condition of the flour market has resulted in the interruption of direct connections with the Pacific coast. On the other hand, a British company is maintaining a fairly regular monthly freight service to Dalny from Liverpool.

As regards freight rates, American manufacturers appear to have been, thus far at least, on an equality with their competitors in Europe, and at an advantage where a direct steamer could be secured. The following schedule of freight rates from New York to Dalny covers the more important items of cargo between the two countries:

Articles.	Rate.	Articles.	Rate.
Agricultural implements.....ton..	\$7. 896	Galvanized-iron sheets.....ton..	\$6. 075
Boilers and parts when shipped separately.....ton..	7. 896	General merchandise.....do....	9. 111
Bolts and nuts.....do....	6. 075	Hardware, ordinary builders'.....do....	9. 111
Cast-iron water pipe.....do....	6. 075	Lubricating oil.....do....	7. 290
Cotton knit underwear.....do....	6. 681	Machinery.....do....	9. 720
Cotton piece goods:		Nails in kegs.....100 pounds..	. 250
In bales.....100 pounds..	. 625	Steel tubes.....ton..	6. 075
In cases.....ton..	7. 896	Wire, plain.....100 pounds..	. 250

These charges are the same as those to Kobe and Yokohama. On cargo to be transhipped at the former port an additional \$3.645 per ton is collected to cover the transshipping charges. The ton is either 20 English hundredweight (2,240 pounds) or 40 cubic feet, at the steamer's option, except where otherwise stated.

CONNECTIONS WITH JAPAN AND CHINA.

Sea connections with Japan are excellent as far as freight is concerned, though there are no large passenger ships calling here. The Osaka Shosen Kaisha continues its regular service between Osaka and Kobe and this port, with two sailings a week, for which it receives a subsidy of \$69,720 per annum; the Nippon Yusen Kaisha, under contract with the Japanese army and navy, respectively, has operated fortnightly services from Kobe via Ujina to Dalny, and from Nagasaki and Sasebo to Dalny and Port Arthur, carrying both private and government freight and passengers; and half a dozen lines of this and other companies make Dalny either their terminus or a port of call. In addition, there are Japanese tramp steamers continually entering and departing.

In August, 1908, the South Manchuria Railway Company began a weekly freight and passenger service between Dalny and Shanghai, and while little business offered at first, both the number of passengers and the freight tonnage seem to be steadily increasing, as the railway company is making special efforts to develop this line by selling through tickets and by offering through bills of lading to interior stations at moderate rates.

The trade to south China ports continues in the hands of two leading British coasting lines, whose business has greatly increased of late, so that they have had as many as 8 ships in port at one time loading cargo or waiting for berths, and one of the firms has decided to open an office in Dalny.

TELEGRAPH RATES—RAILWAY TRANSPORTATION.

Improved telegraph service will result in 1909 through the agreement between Japan and China in regard to telegrams in Manchuria. The rate for English telegrams from Dalny to Shanghai is now reduced from 24 to 18 cents per word, while the rate to Chefoo and Tientsin, which was formerly 48 cents, is reduced to 13½ and 11 cents, respectively. Telegrams to Harbin that formerly cost 36 cents will now cost only 11 cents.

Railway transportation was much improved during 1908, owing to the introduction of new American rolling stock; and the improvement in the freight service will be understood when it is considered that while in 1907 only 2,000 tons could be brought down in one day; by the end of 1908 from 5,000 to 5,700 short tons were being delivered at the Dalny wharf, besides from 300 to 600 tons at Newchwang. The freight received at the Dalny station from the north during the year amounted in all to 791,784 tons, as compared with 360,577 tons in 1907. The freight shipped north fell from 285,117 tons in 1907 to 241,025 tons in 1908, but this was due to the smaller shipments of material for the use of the railway itself, and the total other freight handled showed an increase of about 60 per cent.

No adequate system of handling such a volume of freight has yet been developed, however, and at present only about 4,000 tons can be loaded on steamers in a day, though during December about 4,078 men were employed daily. Cargo has been accumulating at the wharves until the warehouses can accommodate but a very small part of it, most of the beans, bean cakes, etc., being piled up in the open air over a wide area. On December 31, 1908, the total quantity of freight at the wharves was 79,027 tons. As Dalny has now become a regular market for beans, bean cake, and the other agricultural products of South Manchuria, a large part of the goods brought here is not yet sold to the exporters, so that it would not be fair to say that the whole of this amount represents delayed shipments.

OPENING OF PORT ARTHUR SUGGESTED.

The difficulty of handling the freight with the present facilities at Dalny has caused the question to be brought up of the advisability of opening Port Arthur also, if not for general business at least as a coal depot and junk harbor. At present Port Arthur is nominally closed to merchant ships, both Japanese and foreign, although Japanese steamers can and do secure special licenses to enter the port. If Port Arthur were opened to regular trade, and put on the same basis as Dalny with respect to freight rates, that might relieve the situation; but there is no reason why Dalny alone should not be able to handle such business as is likely to come to it in the near future if handled properly, for, so far as wharfing accommodations are concerned, there is no port in Japan that is so well equipped. Work was

begun last year on an extension that will add 904 feet of frontage on one side and 537 feet on the end of the east wharf, with 20 to 30 feet of water alongside at the lowest tides. The estimated cost of the extension and of the completion of the breakwater is \$3,000,000, including necessary dredging.

PUBLIC SCHOOLS FOR JAPANESE AND CHINESE.

The Japanese Government maintains elementary schools for Japanese children in Dalny, Port Arthur, and Kinchou. In May, 1906, there were only 131 children in the two Japanese schools then existing at Dalny and Port Arthur. At the end of 1907 the total number at all three schools had reached 1,207, and at the end of 1908 the enrollment was 1,925. The Government has, besides, schools for Chinese children at six places—Dalny, Hsiaopingtao, Port Arthur, Sanchienpao, Kinchou, and Pitzuwo. The enrollment at the end of 1908 was 605, but this was a decided improvement over 1907, when the number reported was 326. One of the principal reasons for the apparently small attendance is that a large proportion of the Chinese, especially in the cities, consists of men who keep their families at home in Shantung Province, or other parts of China proper. At the Chinese schools tuition is free, but at the Japanese schools a fee of 15 to 20 cents a month is collected. Besides the government institutions, which are under Japanese principals, the Chinese maintain a number of small schools of their own, frequently in connection with their temples. The Government is planning to establish a technical school at Port Arthur, also a girls' high school and a normal school for Chinese, but as yet there are no advanced schools in the district.

The population of Dalny has continued to show a healthy increase, and amounted on December 31, 1908, to 38,121 persons, 20,515 of whom were Japanese, the remainder being Chinese with the exception of 45 Europeans and Americans. On this same date official figures give the population of Kwangtung Province as 427,117, a gain of 21,431 over the preceding year. Of this number 29,773 were Japanese, 397,259 Chinese, and 85 foreigners.

A few attempts are being made by Japanese to engage in agriculture here, particularly in rice growing, but on a very small scale, and there is no apparent reason to believe that, considering the inferior soil in this neighborhood and the severe competition of the Chinese farmers, the Japanese settler will be able to make enough of a success to induce many to follow his example. It is a question whether the same circumstances will not be a check to Japanese colonization farther north, for, though the land is good there, the conditions of agriculture are very different from those in Japan.

BEAN OIL MILLS—SALT WORKS—FISHERIES.

Two large bean oil mills, both under Japanese management, began operations in 1908. During the year 16 small Chinese mills were constructed in the Chinese quarter of the city, bringing the total of Chinese and Japanese mills to 22. It is reported that the 20 Chinese mills produced 1,462,440 pounds of oil and 14,949,387 pounds of cake during the year, while the two Japanese mills, working on a large scale, produced 6,048,000 pounds of oil and 61,824,000 pounds

of cake. The future of the business appears to be promising, and there are now on file applications from 3 Japanese and 12 Chinese firms for land on which to erect more oil mills. The total building operations at Dalny in 1908, inclusive of these oil mills, caused the issuance of 622 permits for structures having an aggregate area of 1,147,352 square feet and a value of \$1,336,843. In 1907 there were 391 permits for buildings aggregating 743,151 square feet in area and \$683,747 in value.

Official information gives the number of Chinese salt works in the Province in 1908 as 301, and the total area of their salt pans as 3,724 acres. There were 6 Japanese works with salt pans having an area of 3,805 acres. The total production was 106,928,600 pounds of salt, almost two-thirds of which was from the Chinese works, the output in both cases being nearly twice that of the previous year.

The fishery industry was another which made good progress during the year. The number of Japanese fishermen increased from 3,188 to 3,757, and the Chinese from 4,195 to 4,533; while the quantity of fish taken increased from 13,747,766 pounds, valued at \$486,393, in 1907, to 35,370,993 pounds, valued at \$995,610, in 1908.

The new cement works are now nearly finished, and it is expected that they will begin operations in May. The plant is understood to have a capacity of 150,000 barrels a year. The machinery is of German manufacture, and has been set up under the supervision of two experts sent out from Germany.

PUBLIC IMPROVEMENTS.

Great progress was made in the improvement of the city of Dalny during 1908, continuing the work begun in previous years. Water mains and sewers have been laid in the center of the town and the principal streets macadamized. The appropriations for these purposes for the fiscal year ending March 31, 1909, were \$100,000 for water works, \$125,000 for drainage, and \$150,000 for roads. In July there was opened at Dalny the Central Laboratory of the Kwangtung government-general, an institution which performs at moderate charges all kinds of chemical assays and bacteriological and physical examinations and tests. At present the laboratory is engaged in various researches looking toward the more profitable utilization of the principal products of Manchuria, such as beans, wild silk, and kaoliang, a species of millet.

NEWCHWANG.

By CONSUL THOMAS E. HEENAN.

There are few undeveloped countries that can compare with Manchuria. It is more easy of access than other parts of China and has daily improving railway communication. Newchwang is the oldest trading port, is easily accessible by land or sea, and is the center from which the bulk of business has been transacted. The total value of its exports in 1908 by water was \$13,177,403, and that of its imports, both native and foreign, \$14,508,343. This represents a total trade of nearly \$28,000,000, and indications point to an increase.

The fact that the recent crisis in the north spread to southern Manchuria shows clearly that business has been carried on without due

regard to the law of supply and demand. The result was disastrous, and to again build up the trade of Manchuria will take both time and money. The country is rich in natural resources, though the wealth does not lie on the surface. Manchuria is experiencing the reaction of the large operations that occurred during the late war between Japan and Russia, when both sides spent millions. The ending of the war stopped the inflow of money, and the country is gradually being restored to its former and natural basis. During the war the money spent went largely to dealers in provisions, to carters, and to coolies, very few of whom were natives of Manchuria, and the money earned, after being changed into sycee or silver coins, was sent to their homes in Shantung and Chihli. It is said that Japan alone during the war spent \$94,620,000 in Manchuria, and had \$29,880,000 of war notes in circulation. How much Russia spent is unknown, but it may be safely judged as more than double the amount spent by Japan.

FAILURES OF NATIVE BANKS—RIVER TRAFFIC.

Business in American goods has increased, but it is still far from the level it should reach. A serious feature in the trade of Newchwang, and of Manchuria generally, is the condition of the currency of China. Immense quantities of dollars, subsidiary silver coins, and copper cash pieces circulate, and all at a large discount. In December three native banks, all under the same ownership, were forced to close their doors. The most important of these firms had been established for over half a century, and two years ago had a surplus of \$322,560, which was used in the payment of the debts of two branch firms that had become insolvent.

After ice has closed the river to navigation, carts are employed to bring the inland produce to Newchwang, but this is stopped when the spring thaw sets in. Unless there have been heavy enough snows to give the requisite draft of water in the upriver reaches, or heavy rains in the spring, the use of river boats is impossible. It is believed that this condition of things might be remedied by the outlay of a little money in the improvement of the Liao, and it is only by prompt measures in this direction that the trade of Newchwang can be retained. In a discussion of this question with the authorities here it was stated that any effort to improve the river channel at the necessary places would meet with great resistance from the farmers living close by, because the new channel which the river has broken benefits these people. Time seems to demonstrate the truth of this statement.

Apart from the supplies of beans brought in by native carts, the miscellaneous grains imported from the interior since the beginning of December amount to 16,400 tons, or nearly twice as much as last winter's supplies.

TOTAL TRADE OF PORT.

The net value of the trade of Newchwang for 1908 was \$27,685,746, the imports being \$14,508,343 and the exports \$13,177,403. The imports of goods from foreign and Chinese ports were valued at \$14,668,288 and the reexports were \$159,954, making the net imports \$14,508,343. In comparison with 1907 the total trade showed an

increase of about \$5,000,000, but a decrease of about \$2,000,000 from that of 1906.

The following table shows the value of the gross imports of foreign goods and of the exports of native goods and reexports of foreign goods during the year, by countries, not including foreign goods to the value of \$6,097,240 imported from Chinese ports:

Countries.	Imports of foreign goods.	Exports and reexports of foreign goods.	Countries.	Imports of foreign goods.	Exports and reexports of foreign goods.
United States, including Hawaii.....	\$760,174	\$70	Hongkong.....	\$1,204,484	\$435,775
Australia, New Zealand, etc.....		3,730	Japan, including Formosa.....	1,831,942	5,870,431
Austria-Hungary.....	5,711		Korea.....	37,740	3,526
Belgium.....	13,345	12,544	Philippine Islands.....	877	
British India.....	14,151	1	Russia.....	68,532	1
Denmark.....	1,061		Singapore.....	11,450	67
Dutch India.....	122,896		United Kingdom.....	95,361	2,451
France.....	7,138	121	All other.....	99	3
Germany.....	32,233	62	Total.....	4,207,214	6,328,782

IMPORTS BY ARTICLES.

The value of the direct imports of foreign goods is shown, by articles, in the following table:

Articles.	Value.	Articles.	Value.
Bags of all kinds.....	\$67,345	Fruits and nuts:	
Books and charts.....	4,365	Fruits, dried.....	\$5,360
Breadstuffs:		Nuts, betel.....	4,387
Flour.....	394,642	Glass, manufactures of.....	4,998
Other.....	597	Hides.....	1,780
Boots and shoes.....	1,567	Instruments:	
Building materials.....	16,740	Medical and surgical.....	1,541
Candles.....	79,995	Other.....	181
Carpets and carpeting.....	1,899	Iron and steel, manufactures of:	
Carriages, bicycles and parts.....	2,449	Galvanized.....	6,810
Cement.....	7,805	Hardware.....	16,770
Charcoal.....	3,963	Machinery and fittings.....	29,406
China ware.....	11,036	Nails and rivets.....	5,091
Chemicals, drugs, and medicines:		Pipes and tubes.....	130,090
Borax.....	1,019	Rails.....	2,615
Ginseng.....	1,347	Safes, etc.....	1,855
Gums.....	5,830	Stoves and grates.....	4,516
Medicines.....	19,324	Tinned plates.....	4,213
Other.....	2,587	Other.....	7,290
Clocks and watches.....	5,929	Isinglass.....	9,618
Clothing, hats, etc.....	10,201	Lamps and lamp ware.....	9,118
Coal.....	54,066	Leather.....	10,717
Cotton, and manufactures of:		Matches.....	140,154
Raw.....	16,333	Mats of all kinds.....	1,618
Blankets.....	4,422	Metals, and manufactures of:	
Cloth, Japanese.....	34,474	Lead, pigs and bars.....	3,783
Drills, Japanese.....	117,884	Mercury.....	1,642
Flannel.....	4,030	Tin—	
Italians.....	2,431	Slabs.....	8,171
Lastings.....	5,818	Foil.....	4,133
Shirtings—		White metal and German silver.....	1,271
Japanese.....	348,971	Other.....	7,441
Other.....	1,469	Oils:	
T cloth.....	5,484	Kerosene—	
Thread.....	14,616	American.....	451,210
Towels.....	13,253	Sumatra.....	122,886
Velvet.....	1,905	Other.....	457
Velveteens.....	2,892	Paints, pigments and dyes:	
Yarns—		Aniline.....	4,215
English.....	43,142	Indigo, artificial and vegetable.....	8,394
Indian.....	254,791	Vermilion.....	2,047
Japanese.....	363,641	Paints and paint oil.....	6,004
Other.....	3,224	Other dyes.....	10,731
Covers, bed and table.....	3,166	Other pigments.....	1,382
Electrical materials.....	8,656		

Articles.	Value.	Articles.	Value.
Paper, and manufactures of:		Sugar, and manufactures of—Cont'd.	
Paper.....	\$140,683	White.....	\$117,283
Stationery.....	4,146	Refined.....	186,723
Photographic materials.....	8,055	Candy.....	50,460
Provisions:		Tea.....	2,592
Milk, condensed.....	1,267	Telegraphic materials.....	13,513
Other.....	250	Tobacco:	
Rice.....	25,400	Leaf.....	335
Seaweed and agar-agar.....	81,700	Cigarettes.....	1,314
Seeds:		Cigars.....	1,294
Aniseed, star.....	9,292	Toilet requisites.....	17,155
Cardamom.....	8,255	Umbrellas.....	1,647
Silk, manufactures of.....	11,820	Water, aerated and mineral.....	2,292
Soap.....	20,192	Wood, and manufactures of:	
Spices:		Furniture and materials.....	3,416
Cloves, etc.....	4,001	Timber.....	
Pepper, black.....	21,279	Hard.....	4,986
Spirits, wines, and malt liquors:		Soft.....	90,597
Beer, porter, etc.....	13,388	Wool, manufactures of:	
Spirits.....	592	Blankets and rugs.....	7,900
Wines.....	29,293	Other.....	1,754
Stores, household.....	31,282	Parcels post, not otherwise classified.....	24,197
Sugar, and manufactures of:		All other items.....	83,189
Cane.....	8,892	Total.....	4,207,214
Brown.....	202,605		

AMERICAN PIECE GOODS.

Native reports give the quantity of standard piece goods, covering American sheetings, drills, and jeans imported during the year, as 47,500 bales, of which about 15,000 bales are still stocked in the port, awaiting an improvement in the market up north. Of the balance, it is stated that only 10,000 bales actually changed hands in Newchwang itself, the greater portion being forwarded to the interior for sale.

Most of these cotton goods were purchased in Shanghai, much below the present actual cost of new supplies, and even at these low prices the merchants here have found it difficult to effect sales at reasonable rates. Local prices for standard 34-yard American sheetings on December 31, 1908, ranged from \$2.40 to \$2.60 per piece of 40 yards, and for standard heavy drills from \$2.85 to \$3 per piece of 40 yards, less the customary brokerage and commissions charged by native dealers; but since the local authorities have issued proclamations ordering the abolition of the present system of transferring credits, it is expected that the market will have a better tone as soon as the Chinese can do their business on a hard-cash basis.

The largest imports during the year were in cotton yarns, of which 50,000 bales found their way through this port, the present stocks being not more than 2,000 bales. The quantities of the chief cotton fabrics and cotton yarn imported during 1907 and 1908 were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Shirtings, gray:			Jeans:		
American.....pieces..	3,500	63,390	American.....pieces..	54,142	43,990
English.....do.....	32,332	67,253	English.....do.....	42,979	124,996
Japanese.....do.....		1,800	Yarns:		
Sheetings:			English.....tons.....	17	169
American.....do.....	282,060	515,603	Indian.....do.....	3,439	4,455
English.....do.....	3,520	15,650	Japanese.....do.....	164	1,705
Japanese.....do.....	98,940	151,400	Chinese.....do.....	90	206
Drills:					
American.....do.....	130,540	194,570			
English.....do.....	3,075	1,840			
Japanese.....do.....	9,200	52,200			

IMPORTS OF AMERICAN FLOUR AND KEROSENE.

The total imports of American flour for 1908 amounted to 10,131 tons, valued at \$394,642, which is far below the imports of 1907, when 26,716 tons were entered. This was largely due to the wheat yield in Manchuria, which is said to have been the largest on record. There has been little demand at Newchwang for foreign flour, while the condition at Chefoo and Tientsin is otherwise. The present rate of exchange operates against the importation of flour. During 1908 there were 26,000 sacks of "Boat" brand flour imported, the market price being \$1.16 per sack; 28,000 sacks of "Bicycle" brand, price \$1.13; 3,000 sacks of "Gold drops," price \$1.11; 20,000 sacks of "Machine" brand, price \$1.09; and 3,000 sacks of "Wah-sing," the market price of which was \$1.12.

During the six months ended June 30, 1908, there were no imports of American kerosene at Newchwang. Since that time, however, the largest quantity ever brought to this port has been entered, amounting to 5,773,651 gallons, as compared with 4,452,195 gallons in 1907 and only 864,220 gallons in 1906. There were also 1,485,136 gallons of Sumatra oil imported in 1908, as compared with 417,000 gallons in 1907 and 343,700 gallons in 1906. In 1906, 450,000 gallons of kerosene from Borneo were entered, but since that time no importations of Borneo oil have been recorded.

The future of the kerosene business is very promising. The new plant of the Asiatic Petroleum Company (Limited) at Newchwang was formally opened last autumn. It is located on the bank of the river Liao, 2 or 3 miles from town, and the oil is brought in tank steamers and pumped into the company's reservoir. All other oil brought here comes in tin cases, and is stored in godowns or warehouses until distributed by cart or rail to the interior.

EXPORTS BY ARTICLES.

Exports of bean cake made up \$5,518,508 of the \$6,328,782 total exports of native products to foreign countries. The value of the principal articles of export was as follows:

Articles.	Value.	Articles.	Value.
Beans.....	\$521,377	Seeds:	
Bean cake.....	5,518,508	Apricot.....	\$1,099
Bones.....	5,730	Melon.....	38,652
Bristles.....	1,689	Sesame.....	33,185
Coal.....	6,351	Silk, and manufactures of:	
Fish and fishery products.....	2,619	Raw, wild.....	1,098
Hair.....	1,389	Shantung pongee.....	1,847
Horns.....	12,894	Skins, goat and lamb.....	1,091
Medicine.....	57,600	Wool.....	9,125
Musk.....	1,440	All other articles.....	74,703
Oil, bean, etc.....	24,259	Total.....	6,328,782
Provisions and vegetables.....	1,689		
Samshu.....	2,427		

Beans, bean cake, and bean oil are the principal products of Manchuria. Immense quantities have entered Newchwang by cart, some 64,000 tons of beans having been brought in this manner up to the end of the year. This quantity, however, is small compared with the stocks shipped to Dalny by rail from the north. It is difficult to obtain reliable figures showing the quantity of bean products entering Newchwang by rail.

Prices during the last six months of 1908 were higher than ever, but how much of this was due to the ability of Japan, a gold-standard country, to pay more in silver because silver has been cheap, it is not possible to say. The bean cake and bean oil go chiefly to Japan. Shipments of beans have been sent to England, France, and America during the past year. The American shipment was a small quantity sent from Newchwang to New York merely as a sample. During the year the exports of beans to England amounted to about 70,000 bags. This is a new development, said to have been brought about by certain English experts who have made a study of the beans. They have discovered a means of extracting an oil therefrom for culinary and lubricating purposes, and converting the residue into food for cattle.

Silk forms one of the greatest annual products of Manchuria. Nearly a million pounds of raw wild silk were exported during the year from Newchwang, and this does not include silk refuse. The figures by no means convey a clear idea of the magnitude of the industry. Manchurian silk is famed from one end of China to the other, and is regarded as being superior to any other. The great silk-growing district is the southern portion of Manchuria bounded by the Yalu and Liao rivers. Only in rare cases are the worms fed on mulberry leaves. They are, as a rule, fed on an oak peculiar to Manchuria, which is known as *Quercus mongolica*.

NEW PORT AT LIEN-SHAN—SHIPPING—POPULATION.

It has been stated quite recently that the Chinese Government has sanctioned the opening of a new port in this consular district at Lien-shan Bay, which is on the Liaotung Gulf some 40 miles from Shanhaikuan. This port is well protected on three sides by mountains, and has sufficient depth of water to accommodate the largest ships. There is no ice in the port during the winter. It is to be the place of import and export of cargoes from and to Chinchow, which is situated on the coast near Shanhaikuan.

British steamers carried more than \$12,000,000 of the total trade during the year, while Japanese steamers led in the export trade to foreign countries, which trade consisted principally of beans and bean cake shipped to Japan for use as a fertilizer.

The native population of the port of Newchwang is estimated at 52,000. The foreign population numbered 2,538, of whom 2,396 were Japanese, 75 British, 14 Americans, 18 Germans, 15 Russians, and 20 of other nationalities.

Revenues of the port for 1908 amounted to \$521,536, the principal items being import duties aggregating \$165,156 and export duties \$279,179.

HONGKONG.**REVIEW OF TRADE CONDITIONS.**

By CONSUL-GENERAL AMOS P. WILDER.

Toward the end of 1908 there was promise of some recovery from the commercial depression which had prevailed for the preceding two years, and had been noticeable for a longer period. However, a considerable time appears necessary to reassure investment in South China. Stocks accumulated over a long period have at last been worked off, the speculators in the various lines are thoroughly discouraged, and the buying is for real demand and prompt consumption. The West River suffered from floods in mid-summer. Mints still issue large quantities of small coins, and even the subsidiary coinage of the colony was at a discount of nearly 10 per cent at times from bank notes, affecting some of the larger lines of industry excessively. The prospect of a unified coinage in South China, or even in this colony, has not yet appeared. Neither Chinese goods, nor passengers to any extent, patronize Japanese ships going from this port to America.

Of the future of this colony, with the Canton railway connection assured in 1911, there is no question, though some uneasiness is felt at the disposition of foreign exporters to ship directly to consuming points, notably Canton, where banking facilities have recently been extended.

HONGKONG'S DISTRIBUTING TRADE FALLING OFF.

Hongkong, so long synonymous with South China in a commercial sense, is confronted with a loss of much of its dominance. It is pointed out that the heart of the Chinese business district in this city has suffered a loss of 16 per cent of its population. While reaction from the Russo-Japanese war speculation, notably in yarn (which bankrupted dealers by the score), and the establishment of certain sanitary restrictions are cited as causes, these are but temporary. The lack of demand from the interior, markedly in piece goods, yarn, and flour, is probably related to the fact that Hongkong is losing to some extent its place as a distributing point. The port was built up as a distributing point for not only South China but Formosa, Manila, and the whole region south to the Straits Settlements and north to Vladivostok. Its famous harbor, its freedom from trade restrictions, and the protection of the British army and navy establishment, gave, and still give, it prestige. The loss is not alarming, but it is noticeable, and the explanation lies in the natural diversion to other ports of import, and to a less extent of export, trade which Hongkong once held. The Japanese have taken the Newchwang trade, and the traffic between Japan and Singapore and the Dutch Indies (notably in Java sugar) is now direct. Siam no longer sends its rice for Peru through Hongkong, but directly. Quantities of kerosene oil that once came here for distribution, now go to many treaty ports direct. Hongkong once served Shanghai, Chefoo, Tientsin, and Vladivostok with flour, but does this no longer. Singapore looks to Australia at times for the same commodity. The

Japanese sell yarn to Canton, Swatow, and other points, and carry it to these ports; formerly Hongkong dealers handled this in their own port. In piece goods the diversion from this point is marked, British and Indian production suffering to the profit of Japanese dealers. Moreover, commercial travelers from Europe, and even England, visit Canton and other ports for orders once placed in Hongkong. The occupation of Manila by Americans has naturally impaired Hongkong's business, and the Chinese of Manila even get European goods direct, orders for which were once placed here. The Japanese have of course taken possession of the Formosan trade, once a department of Hongkong commerce.

RAILWAY CONNECTION WILL INCREASE SOUTH CHINA TRADE.

These considerations explain some decline; they denote a redistribution of commercial activities. To offset them is the assurance that South China's development must confer benefits on this port so advantageously situated and operated, and railway connection with Canton, and later Hankow, must result in increase. There are signs that Hongkong will manufacture as well as transship, but her mainstay is commerce, and of that there will ever be an immense amount.

It is fairly assured that by January 1, 1911, Hongkong will be connected with Canton, 110 miles to the northwest, by rail. Of the total distance the 21 miles leading out of Hongkong are being built by the colonial government. This section begins with a tunnel, and is proving tremendously expensive—some \$250,000 per mile. The remaining 89 miles are being built by British engineers with money loaned to the Chinese Government by British capitalists. The estimated cost for this division is \$7,500,000 gold. North of Canton the railroad to Hankow, 850 miles away, is being exclusively financed and constructed by Chinese, though they avail themselves of the services of a few American or European engineers. Some 45 miles are already being operated and an equal distance is ready for the rails; but the project is a colossal one for the inexperienced Chinese to execute, even more so on the mechanical than on the financial side. The Canton-Hongkong line once in operation, the city of Canton, with its estimated population of 1,500,000 people—the largest city in the world without railway connection with the outside world—will be brought closer to Hongkong, with benefit to the latter's commerce. There will then be a strong demand for a northern connection through to Hankow and Peking. In view of the heavy capital invested in the Hongkong terminal line, the pressure will be irresistible toward completion of the railway north.

The financial condition of the colony of Hongkong is by no means satisfactory, and with the cessation of revenue from opium (the opium farm operating some 200 divans), there is anxiety as to where the money is to come from to meet governmental expenditure, in part abated by the promise of the home Government to share the deficit. A recent statement of the colonial treasurer showed a decrease in revenues of some \$210,000 United States currency, with expenditures increased some \$370,000, and this is with the loss of opium revenue not yet in effect.

STATISTICS OF IMPORTS AND EXPORTS.

The government of the colony of Hongkong has from time to time investigated the question of installing officials to compel the filing of manifests of imports and exports, as is done in the neighboring colony of Singapore, but the commercial interests object to the innovation as hampering trade, and the expense of the estimated staff of 20 needed officials is an added deterrent. Thus, Hongkong being a free-trade port and official statistics of coal, kerosene oil, liquid fuel, opium, and sugar alone being announced as authentic, its commercial figures are necessarily partial and unsatisfactory.

The harbor master offers the following: Total reported imports during 1908 amounted to 4,169,856 tons, against 4,365,659 tons in 1907, a decrease of 195,803 tons. Exports also showed a decrease from 2,354,000 tons in 1907 to 2,103,000 tons in 1908, or 251,000 tons. Transit cargo declined from 3,395,888 tons to 3,372,993 tons, or 22,895 tons. The quantities of articles imported in 1907 and 1908 are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
	<i>Tons.</i>	<i>Tons.</i>		<i>Tons.</i>	<i>Tons.</i>
Beans.....		1,382	Sandalwood.....	6,407	1,060
Coal.....	1,004,867	1,018,753	Sulphur.....	510	
Cotton and cotton yarn ..	25,461	27,254	Sugar.....	291,660	249,639
Flour.....	146,722	91,312	Timber.....	84,854	78,401
Hemp.....	30,479	21,020	Wheat.....	20,666	
Kerosene:			All other articles.....	1,701,772	1,836,679
Bulk.....	43,880	61,818			
Case.....	36,729	40,018	Total.....	4,365,659	4,169,856
Liquid fuel.....	3,272	13,832	Transit trade.....	3,395,888	3,372,993
Opium.....	2,800	2,846			
Rattan.....	9,520	4,598	Grand total.....	7,761,547	7,542,849
Rice.....	956,060	721,254			

IMPORTS OF FLOUR.

Flour is one of the major imports from America and ranks next to rice and sugar in Hongkong shipping. The value of the flour brought to Hongkong in 1908 from the United States (Oregon, Washington, and California) is estimated at \$4,250,000 United States currency. Australian flour did not total 3,000 bags in 1908, against 1,008,000 bags in 1907. Nevertheless it was not a profitable year. Including the output of the Hongkong Milling Company, the imports from the United States for 1907 (the record year) were about 4,940,000 bags. The flour imported or produced by the local mill in 1908 aggregated about 4,000,000 bags. The shrinking rate of exchange militated against importation, and northern ports, such as Newchwang, which have formerly drawn on Hongkong's flour supply, were too upset in their finances to call for their usual supply. In addition, the demand caused by famine in the north in 1907 was not repeated. A cheerful fact lies in the empty godowns in December, 1908, as contrasted with the glut of a year previous.

The unusual condition was presented in 1908, especially in the latter months, of flour being marketed in Hongkong at some 8 cents United States currency per bag (50 pounds) less than the cost of wheat in America used for grinding into flour. The failure on April 15, 1908, of the \$500,000 milling project in Hongkong is attributed

to the inability of the millers to find a market for the residue derived in working wheat into flour, such as bran and shorts, which constitutes about one-fourth of the raw material and on which freight must be paid across the Pacific. Millers of different nations have looked over the idle plant and the local field, but no one has yet proposed to revive the milling of flour here. Mills in North China operate with Chinese wheat, but flour experts believe that, until a profitable use is found for the residue, flour will be imported into South China. It is gratifying to note the constantly increasing use of flour by Chinese, and the industry appears to be unlimited in promise to the American wheat producer. Late in the year the high price of wheat in the United States drove the Chinese to the use of rice, as is always the case when wheat prices are high.

Of the American flour imported into Hongkong in 1908, Washington and Oregon furnished 3,825,000 bags and California 218,440 bags. In 1907 the amounts were 4,197,877 and 281,060 bags, respectively.

The following table gives imports of American flour during 1908, in sacks of 50 pounds each:

1908.	Washington and Oregon.	California.	1908.	Washington and Oregon.	California.
January.....	297,843	35,080	August.....	427,900	14,040
February.....	94,660	9,000	September.....	380,060	22,060
March.....	229,790	5,000	October.....	405,140	18,040
April.....	228,960	15,000	November.....	462,100	22,040
May.....	261,812	28,000	December.....	398,700	12,040
June.....	307,435	20,080	Total.....	3,825,000	218,440
July.....	330,640	18,060			

The imports for 1907 were: Northern, 4,197,877 sacks; California, 281,060 sacks; Australian, 1,008,000 sacks.

COTTONS AND COTTON YARN.

Measured in value the most important feature of Hongkong's trade is the distribution throughout China of cotton and cotton yarn, which are mainly from India and of the cheaper grades. The estimated value of this trade is about \$12,500,000 United States currency per annum. Improvement over the previous disastrous years, when bankruptcy was widespread in this industry, is reported. Imports in 1908 amounted to 210,275 bales of 400 pounds each, against 146,395 bales last year, while sales aggregated 151,243 bales, against 137,608 bales in 1907, showing an increase of about 43 and 10 per cent, respectively. The Japanese are waging lively competition for the patronage of Chinese consumers of cotton yarn, and an incident of the year along the coast was the proposal of the Japanese Cotton Spinners' Association to issue with every bale of yarn "coupons" good for money or prizes in kind. The loss of the Chinese markets to Japanese goods operated favorably for Bombay in the cotton-yarn industry. In round figures Indian yarn distributed via Hongkong throughout South China and Tonkin in 1908 amounted to some 220,000 bales of 400 pounds each. The consumption in the principal districts was as follows, the figures representing bales: West River, and Swatow and Hingning, 50,000 each; Yunnan, 30,000; Amoy, 25,000; Canton and Fatshan, 20,000; Sainam, East River, and Tonkin, 15,000 each.

COAL, RICE, OIL, PETROLEUM, AND PIECE GOODS.

So vast is the shipping at this port that coal is an item of prime importance. The year has been uneventful as regards price. More and more Canton is being supplied direct by steamer, thus depriving Hongkong of this transfer cargo. The British Admiralty took 40,000 tons of Cardiff. While Borneo has proved its coal deposits, coal from this source has not yet been able to meet Japanese prices. Of the coal, valued at \$4,787,190, brought to Hongkong in 1908, mainly for consumption by steamers, Japan supplied 850,000 tons, valued at \$3,672,200. Coal imported from Cardiff was valued at \$494,500, and from Australia, \$406,350. The remainder came from other sources, principally Hongay.

Receipts of rice declined from 956,060 tons in 1907 to 721,254 tons in 1908, owing to failing trade from Saigon and Bangkok. There were exceptionally large crops in northern and central China, and Shanghai, and Yangtze prices ruled lower than those in Siam and Annam. As an added cause there was something in the way of a boycott of certain steamers that do the carrying between Bangkok and Hongkong; yet it is estimated that Siam alone furnished rice to Hongkong to the value of about \$10,000,000 United States currency. The bulk of this cargo is consumed in Kwangtung (Canton) Province. Shipments for Chinese coolies in South Africa go from this port.

Oil imports gained largely during 1908, with wax, naphtha, and other by-products showing marked increases. The Standard Oil Company has a brisk competitor in the Dutch company, but the new and extending plants of the Standard point to its prosperity. Of bulk oil (all products of petroleum) 61,818 tons arrived, an increase of 17,938 tons over 1907. Of case oil 40,018 tons arrived, an increase of 3,289 tons. Liquid fuel increased from 3,272 tons in 1907 to 13,832 tons in 1908, showing the growing popularity of this fuel.

Piece goods showed some improvement over the two preceding years, but 1908 was not a satisfactory year to those who handle this commodity. Stocks were light, the improvement being mainly in fancy goods, with an occasional influx of bankrupt stocks from the north to complicate the situation.

Imports of ginseng amounted, during 1908, to 134,200 pounds, against 128,133 pounds in 1907.

DECLARED EXPORTS.

The declared value of exports from Hongkong to the United States and the Philippine Islands during 1907 and 1908 is shown, by articles, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bristles.....	\$44,368	\$17,279	Hair, human.....	\$41,880	\$92,209
Camphor.....	359,757	4,104	Medicine, Chinese.....	91,846	68,953
Cassia.....	296,839	182,040	Metals, and manufactures		
Cattle.....	863,988	266,710	of.....	118,000	330,701
Cement.....	233,513	378,130	Oils:		
Clothing.....	269,629	196,243	Aniseed.....	76,944	47,160
Earthen and glass ware..	171,631	60,587	Peanut.....	233,309	192,988
Fireworks.....	65,579	56,926	Opium.....	394,884	4,817
Flour.....	256,275	272,435	Paper, and manufactures		
Fruits and vegetables.....	98,050	60,170	of.....	48,304	55,164

Articles.	1907.	1908.	Articles.	1907.	1908.
Provisions	\$1,384,016	\$1,038,753	Sugar, refined	\$103,750	\$163,884
Rattan, and manufactures of	56,016	31,896	Tea	155,573	120,287
Rice	1,797,840	2,062,685	Tobacco	59,182	63,827
Shoes, Chinese	61,954	36,316	Wine, Chinese	133,344	60,422
Silk:			Wood, and manufactures of	46,778	42,413
Piece goods	119,479	69,130	All other articles	1,204,198	1,137,621
Raw	134,747	103,676			
Soy	50,506	26,797	Total	8,962,197	7,244,325

The value of the exports to the United States, in 1908, was \$2,815,012, and to the Philippines \$4,429,313. All of the cattle and fruits and vegetables went to the Philippines, as well as cement valued at \$374,638; flour, \$249,700; rice, \$1,517,966; raw silk, \$98,402; and refined sugar, \$109,163.

SILK CROP, PRICES, AND EXPORTS.

While silk for America is invoiced almost wholly from Canton, the chief offices of some large firms are located in Hongkong. They report that the seven crops of the year yielded about 34,000 bales of 133½ pounds each, against 50,000 in 1907. At the beginning of the season prices were very high and remained fairly steady up to about October, when trade became paralyzed, owing to a serious decline in silver and exchange and the financial crisis in America, which caused values in both gold and silver to depreciate rapidly. Crops all the world over were exceptionally large, which in no way helped the situation, and during the season prices for silk showed a decline of approximately 45 per cent from the highest to the lowest point. The lowest prices were reached in March with values from \$45 to \$67.50 United States currency per picul (picul = 133½ pounds) lower than at the beginning of the year. There were fluctuations during the year, and at times marked advances in spite of a temporary rise in exchange. The total exports of silk to Europe were 36,475 bales, and to the United States 8,442 bales, but a surplus of about 6,500 bales of old silk was carried over to the new season. The shipments of silk and silk waste to the United States and Europe up to December 31, of the 1907-8 and 1908-9 seasons, are shown in the following table, furnished by one of the leading exporters:

Country.	Silk.		Silk waste.	
	1907-8.	1908-9.	1907-8.	1908-9.
United States	Bales. 5,819	Bales. 12,523	Bales. 1,500	Bales. 1,700
Europe	26,093	18,200	22,070	20,413
Total	32,512	30,723	23,570	22,113

SUGAR REFINING—MATTINGS—CASSIA.

Sugar is a large factor in Hongkong industry as well as in shipping, as two extensive refineries are located here, one of which (Taikoo) ranks among the largest in the world. Japanese expansion has mili-

tated against refining here, as shown by the fact that in 1908 only about 2,000,000 piculs of cane sugar from Java came to this port, whereas before Japan became so considerable a factor, twice that amount was sometimes imported. Less raw sugar also comes to Hongkong from Penang and Mauritius. These two points, with the Philippines, contribute from 600,000 to 1,000,000 piculs annually. China sugar, mainly from Swatow and Hoihow (Hainan), comes in small amounts, the Chinese clinging to obsolete methods of production and crushing. Low exchange shuts out the beet product of Germany, Austria, and Russia.

Of the 1908 crop of Java sugar, the exact quantity exported to Hongkong from May 1 to November 30 amounted to 1,401,162 piculs, equivalent to 85,074 tons, showing a decline of 116,528 piculs as compared with the corresponding period of 1907 and of 390,698 piculs compared with 1906. These figures show the seriousness of Japanese competition. The quality of the sugar imported from Java is of Nos. 13 and 14 Dutch standard. Philippine sugar is cheaper. Of the estimated 2,000,000 piculs it is reckoned that 1,500,000 were absorbed by the two local refineries. Of the remainder some is reexported to the northern market and the balance goes into the ginger and fruit preserve industry, etc. The estimated value of the whole import from all sources is about \$8,000,000 United States currency.

It is estimated that during 1908 about 450,000 rolls of matting, each 40 yards long, as well as some 60,000 rolls of mats and carpets, were exported from Hongkong, principally to Europe. This matting is almost wholly invoiced in Canton. The Tung Kun make brought especially good prices. Late in the year the demand for 116-warp matting from Lintan was quickened, low exchange bringing the price under 10 cents United States currency per yard, thus permitting the low rate of duty (3 cents per square yard as against 7 cents plus 25 per cent ad valorem). Floods and typhoons did their part to make it an off year in matting.

It is estimated that the exports of cassia, whole and broken, aggregated 55,000 piculs. The selling price advanced during the last half of the year to a point not known for some years and beyond the demand. The Cassia Guild claims to have effected improvement in the matter of short weight, etc.

OPIMUM TRADE.

This colony derives about \$700,000 annually toward government uses from the "opium farm." In 1908, under the ten-year agreement, the Indian government sold 46,800 chests of Bengal opium, as against 50,400 chests in 1907. The total importations into Hongkong were as follows: Bengal, 31,524 chests; Malwa, 4,665 chests; Persian, 2,197½ chests, the average weight of chests being 145 pounds.

Hongkong is the principal market for Bengal, Shanghai for Malwa, and Formosa for the Persian drug. The estimated consumption in Hongkong of Malwa is about 350 chests a month, the rest of the imports going to Shanghai and China ports. China takes a very small proportion (1,000 to 1,400 piculs) of the Persian article.

There was much fluctuation in values, owing to the decline of silver and anxiety growing out of the efforts of the Chinese and others to regulate the traffic. Toward the end of the year the local market

became dull, owing to reform propaganda and the reports from San Francisco of pending legislation shutting out the drug. For the large Chinese colonies on the Californian coast the opium farmers at Macao have hitherto made regular bimonthly shipments of the prepared smoking opium. The Macao monopolists drew their supplies of the raw opium from Hongkong; they were regular buyers to the extent of 200 chests a month, nearly all of which was shipped to America. To get at the gross value of the year's trade an average is worked out on the basis of prices ruling at three stated periods, thus obtaining for Bengal, \$464.40; Malwa, \$462.25; and Persian, \$387 per chest. The total value of raw opium imports was therefore \$18,773,667, apportioned as follows: Bengal, \$14,639,745; Malwa, \$2,156,396; Persian, \$1,977,526. During the preceding year the imports were valued at \$11,911,000.

These values are in United States currency, 43 cents being used as an average value for 1908 of the Hongkong dollar.

SHIPPING INTERESTS—IMMIGRATION AND EMIGRATION.

The total of the shipping entering and clearing in the colony of Hongkong during the year 1908 amounted to 532,078 ships of 34,614,335 tons, which, compared with the figures for 1907, shows an increase of 24,478 ships and a decrease of 1,413,069 tons. Of this total, 45,437 ships of 22,306,037 tons were engaged in foreign trade. Of these ships 56.9 per cent were junks, 8.3 per cent British ocean-going vessels, 9.2 per cent foreign ocean-going vessels, 13.8 per cent British river steamers, 2.9 per cent foreign river steamers, and 8.9 per cent steamships of not over 60 tons. The tonnage carried was distributed as follows: Junks, 9.8 per cent; British ocean-going vessels, 33.7 per cent; foreign ocean-going vessels, 33.2 per cent; British river steamers, 19.2 per cent; foreign river steamers, 3.3 per cent; steamships of less than 60 tons, 0.8 per cent. The movements of fishing junks are not included in these figures.

The average tonnage of ocean-going vessels visiting the port increased to 2,448.6 tons. During the past twenty years the average tonnage of ocean vessels visiting the colony has increased from 1,186.9 to 2,448.6 tons.

British ocean shipping entered and cleared during the year showed an increase of 113, with 289,101 tons, denoting a revival of trade in the last quarter. British river steamers showed a decrease in entries and clearances of 582, with a collective tonnage of 342,882, due to the loss or withdrawal of 3 large steamers. Foreign ocean vessels decreased by 489 ships of 323,039 tons, notably under Norwegian, Japanese, and German flags.

There are 286 steam launches, including 8 motor boats, employed in the harbor, 140 licensed for conveyance of passengers, 128 privately owned, 14 the property of the Government, and 4 for military uses.

A total of 7,750 steamers, 11 sailing ships, and 2,030 steamships not exceeding 60 tons, engaged in foreign trade, entered during the year, giving a daily average entry of 26.8 as compared with 24.8 in 1907.

The immigration returns for 1908 show that 157,809 persons arrived in Hongkong from other than Chinese ports, of whom 129,650

(Chinese) came from the Straits Settlements, 5,069 from San Francisco, 849 from Seattle, 1,487 from Tacoma, 3,014 from Vancouver, 660 from Victoria, British Columbia, and 1,133 from Honolulu. Chinese emigrants from Hongkong for ports other than those in China during 1908 numbered 71,081, of whom 49,639 went to Straits Settlements (tin mines), 6,116 to Vancouver, 1,730 to Victoria, 4,700 to San Francisco, 121 to Tacoma, 2,301 to Mexico, 365 to Honolulu, and 710 to Callao, Peru. The decrease of 34,886 from the number of emigrants in 1907 is marked, but has little or no reference to the movement to the United States.

·FRENCH INDO-CHINA.

REVIEW OF TRADE CONDITIONS.

By CONSUL JACOB E. CONNER, SAIGON.

This report covers Cochin-China rather than French Indo-China as a whole, as the statistics for Tonquin, Annam, Laos, and Cambodia are not available in Saigon, and do not exist with anything like completeness anywhere. Furthermore, the statistics relative to the trade of Cochin-China for 1907 are yet in manuscript form, and the figures for 1908 will not be compiled for a year and not published for two years. Still further, the records of consignments to American territory prior to 1908 are fragmentary. These prefatory remarks will explain the limitations under which this report has been prepared.

Cochin-China is almost exclusively an agricultural country. The upper border is a forest region and the remainder is simply a large rice field. There are no mines, almost no forests, and the manufactures are a negligible quantity. The farming is not yet diversified to any considerable extent, and the one crop that is of great commercial importance is rice. However, it is through its one seaport, Saigon, that the bulk of the commerce of Cambodia passes, and also a considerable part of the trade of Annam and Laos. The products of these countries are mainly those of the forest and the herd. As to the latter, the Government toward the close of 1908 restricted exportation on the ground that the natives depleted their herds by indiscriminate sales. The products of the forest are various woods, wood oil, gum gamboge, stick lac, cardamoms, etc., besides the hides and horns of wild animals, especially deer.

IMPORTS AND EXPORTS—TRADE WITH UNITED STATES.

The Saigon Chamber of Commerce, an official body which secures its data from the customs service, gives the total imports at Saigon during 1908 as \$28,996,407 and the exports from this port \$26,375,421. The imports in 1907 were estimated at \$31,396,469 and the exports at \$29,068,361. The 1908 figures represent the exports as less than the imports, but this is a situation not borne out by the condition of foreign exchange. Furthermore, conservative estimates based upon the amount of rice exported would show the export value of that one article to exceed by at least \$2,000,000 the entire value of exports as given. Statistics as to the import and export trade of Saigon with foreign countries during 1908, with the amount of each commodity,

are not yet obtainable except for the trade with the United States, the figures appearing in the following table of American imports having been supplied by the chamber of commerce.

Articles.	Value.	Articles.	Value.
Copper, manufactures of.....	\$3,696	Oil cloth.....	\$2,685
Iron and steel, manufactures of:		Provisions:	
Machinery.....	1,508	Meats, canned.....	5,752
Scales.....	13,883	Other.....	794
Tubes.....	3,571	All other articles.....	2,739
Other.....	995		
Metals, manufactures of, n. e. s.....	1,029	Total.....	380,032
Oils:			
Petroleum.....	334,862		
Lubricating.....	8,518		

DECLARED EXPORTS TO THE PHILIPPINES—SHIPPING.

The total value of the articles declared for shipment to American territory through the consulate at Saigon in 1908 was \$3,547,204, and all of these articles went to the Philippine Islands. Rice made up \$3,526,406 of this amount, carabaos \$3,795, other live stock \$13,881, and rice flour \$2,267. The declared exports in 1907 amounted to \$3,472,175.

It will be observed, by comparing the imports from American territory, as given in the official statistics (\$380,032), with the declared exports to the Philippines (\$3,547,204), that the latter exceed the former in the ratio of nearly 10 to 1. While the exports all went to the Philippine Islands, the imports were wholly from the United States.

The rank of American vessels in the tonnage cleared through the port of Saigon in 1908 was seventh, as it had been for several years. These were all Filipino vessels; not one came from the United States. The total tonnage of the 689 vessels which cleared during the year was 1,201,509 tons, as compared with 1,435,092 tons in 1907 and 1,081,628 tons in 1906. Of the 689 vessels that cleared from this port 266 were French, 165 British, 93 Norwegian, 73 German, 36 Dutch, 24 Japanese, 17 American, and 15 of other countries.

TRADE CONDITIONS MORE FAVORABLE.

Trade conditions with American territory were somewhat more favorable during 1908 than in the preceding year. This was due in part to a change in the attitude assumed by the Chinese toward American merchandise a few years ago. A revival of the kerosene oil trade resulted, but the flour industry, which was formerly quite flourishing, has not recovered. Exports of rice to the Philippines were unusually heavy because of the failure of the rice crop there. The vigorous trade in cattle and carabaos that had sprung up between Saigon and the islands was cut short by governmental restrictions upon the exportation of live stock.

The prospects for export trade with American territory for 1909 are less promising than for the preceding year. This is partly due to a better rice crop in the Philippines, and also to the fact that the native farmers of Cochin-China have been holding their rice for a higher market. Imports, on the other hand, have shown some tend-

ency toward improvement, especially in kerosene oil, and other lines could be developed much further. There is a good workable field here for agricultural implements and general industrial machinery. The visit of an American commercial representative during the year was productive of considerable interest and some sales. The agitation for the introduction of agricultural machinery resulted in the abolition of the import duty on all industrial machines not competing with those of French manufacture. No corresponding effort has yet been made in the United States to meet the opportunity thus offered, which is especially meant to encourage the importation of implements for rice cultivation.

SOME OF THE OBSTACLES TO BE OVERCOME.

The greatest obstacle to an increase of imports from the United States is the high protective tariff. American goods are subject to the French maximum schedule, which places them at a serious disadvantage in competition with the goods of other countries. France considers the colony a French market, and where she chooses to reserve the field exclusively for herself, as in the cheapest grade of flour, there is no possibility of foreign competition.

The cost of transportation is also a considerable obstacle, but not so great as the delays caused by the necessity of transshipment. If goods come by the Pacific routes they are transshipped at Hongkong, and if by way of Suez they are transshipped at Singapore unless sent from an American port in a French steamer, in which case they are transshipped at Havre or Marseilles. Because of vexatious delays possible in a transference of cargo at either Hongkong or Singapore, the advisability of shipping via Havre and Suez is suggested.

Another obstacle to business in Cochin-China is the constant fluctuation of the value of the piaster, the monetary unit. This fluctuation does not exactly coincide with the changes in the price of silver, or with these changes plus the price of foreign exchange. An additional hindrance that insurance companies would meet in this district is the existence of a law passed during 1908 which makes it possible to tax foreign insurance companies very heavily.

MANUFACTURING INTERESTS SMALL—CROPS.

There are no manufactories in the district outside of native and Chinese industries, except the construction of small cargo boats for river navigation and the government manufacture of alcohol and opium. French capital will not come to Cochin-China for manufacturing purposes, it being deemed preferable to manufacture at home and sell the products here. There are undoubtedly excellent opportunities in Indo-China for the production of crude sugar, as the natives are fond of cultivating the cane, which grows abundantly. There is an abundance of raw material for the manufacture of paper pulp, although it is not known that any tests have been made for that purpose. A plant for expressing fish oil could find a large quantity of fish that are unusually rich in oil.

The native industries are mainly on a small scale, consisting of the manufacture of wood oils, the dyeing of cloths, tanning of skins, and the manufacture of pottery. Quite a large establishment for the latter exists near Chelon, and its products are sold throughout Indo-

China. The Government has established manual training schools at several points, where the native arts are encouraged, such as the making of copper, brass, and bronze articles and the inlaying of wood, also silk embroidery and fine needlework. Tonquin is especially noted for wares of this kind.

The productive possibilities of this country are very great, as it is extremely fertile, and a variety of crops can be profitably grown, including rice, Indian corn, pepper, rubber, sugar cane, etc. The needs of the natives are small, as there is a summer climate all the year round, and plenty of fruits and other foods during winter and summer, and only the minimum of clothing and shelter is needed. The Europeans number scarcely 6,000 and the Chinese perhaps 50,000, so there is no large market here for any commodity that the United States can furnish under the unfavorable tariff conditions, except machinery, and especially agricultural machinery. Even that field is yet to be developed, but the outlook is favorable.

EAST INDIES.

BRITISH INDIA.

REVIEW OF TRADE CONDITIONS.

PREPARED IN THE BUREAU OF MANUFACTURES FROM BRITISH OFFICIAL SOURCES.

The total foreign trade (sea borne) of British India for the fiscal year ended March 31, 1909, was valued at \$982,546,352, against \$1,120,302,744 in 1907-8 and \$1,031,008,990 in 1906-7. The imports for 1908-9 amounted to \$466,853,079, of which merchandise accounted for \$393,427,326, gold, \$27,267,000, and silver, \$46,158,753. The exports valued at \$515,693,273 were divided as follows: Indian merchandise, \$486,080,620; foreign merchandise (reexports), \$10,287,781; gold, \$11,966,724; and silver, \$7,358,148. Deducting the gold and silver and the reexports from the imports, the trade proper for 1908-9 was imports entered for consumption to the value of \$383,139,545, and exports of Indian produce, \$486,080,620, a total of \$869,220,165, against a total of \$971,714,018 and \$901,618,260, respectively, in the two previous fiscal years.

The following statement shows the value of the imports into and the exports (including the reexports) from British India for the fiscal years ended March 31, 1907, 1908, and 1909:

Trade.	1906-7.	1907-8.	1908-9.
Imports:			
Merchandise.....	\$351,385,900	\$421,297,246	\$393,427,326
Gold.....	59,925,370	67,269,966	27,267,000
Silver.....	28,323,692	39,210,445	46,158,753
Total.....	439,634,962	527,777,657	466,853,079
Exports:			
Indian merchandise.....	561,535,745	562,636,290	486,080,620
Foreign merchandise (reexports).....	11,303,385	12,219,518	10,287,781
Gold.....	11,930,521	10,981,782	11,966,724
Silver.....	6,604,377	6,687,497	7,358,148
Total.....	591,374,028	592,525,087	515,693,273
Grand total.....	1,031,008,990	1,120,302,744	982,546,352

The percentage of the imports into and exports from British India, by countries, in the past two fiscal years was as follows:

Country.	Imports.		Exports.	
	1907-8.	1908-9.	1907-8.	1908-9.
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
United States.....	2.5	2.7	7.8	8.8
Austria-Hungary.....	2.0	3.2	3.7	3.1
Belgium.....	4.1	4.2	5.3	4.0
China.....	1.7	1.9	8.6	12.0
France.....	1.6	1.5	6.6	6.4
Germany.....	4.0	4.1	11.7	10.0
Italy.....	.9	.9	3.2	3.3
Japan.....	1.7	1.7	5.1	4.8
Java.....	4.5	5.1		
Mauritius.....	1.9	2.1		
Russia.....	.3	.2		
Straits Settlements.....	2.4	2.8	3.9	3.5
United Kingdom.....	66.7	62.6	25.9	24.0
All other countries.....	5.7	7.0	18.2	20.1
Total.....	100.00	100.0	100.0	100.0

IMPORTS BY ARTICLES.

The value of the leading articles of import entered for consumption during the fiscal years 1907-8 and 1908-9 was as follows:

Articles.	1907-8.	1908-9.	Articles.	1907-8.	1908-9.
Agricultural implements.....	\$430,676	\$323,296	Iron and steel, and manufactures of—Continued.		
Apparel, etc.....	8,380,128	7,842,390	Iron and steel.....	\$31,637,117	\$29,340,129
Arms and ammunition.....	1,580,966	1,053,607	Ironware, enameled.....	794,476	584,102
Books and printed matter.....	1,075,024	1,310,028	Machinery and mill-work.....	21,363,935	21,466,132
Building material.....	1,705,913	1,997,883	Railway material.....	23,350,200	24,074,576
Carriages and carts.....	3,828,217	3,009,979	Sewing machines.....	370,939	395,973
Chemicals.....	2,574,379	2,423,517	Tools, etc.....	683,667	648,186
Clocks and watches.....	649,367	598,609	Jewelry.....	539,077	592,137
Coal.....	1,927,164	2,668,302	Leather, and manufactures of.....	1,243,678	1,178,545
Copper.....	6,696,304	8,827,831	Liquors.....	6,504,603	6,439,952
Cotton, and manufactures of:			Matches.....	2,393,292	2,417,049
Raw.....	2,301,855	1,722,741	Oil, mineral.....	10,360,779	12,682,099
Piece goods—			Paints and colors.....	2,023,520	1,935,373
Colored.....	35,038,800	30,011,706	Paper and pasteboard.....	3,219,760	3,006,355
Gray.....	63,001,709	49,283,046	Provisions.....	8,891,100	9,129,554
White.....	38,362,620	25,232,803	Ships, parts of.....	969,101	1,222,465
Yarn.....	11,981,323	11,840,195	Silk goods.....	6,926,490	7,401,460
All other.....	7,479,811	6,963,962	Soap.....	1,353,583	1,322,379
Drugs and medicines.....	2,949,099	2,380,253	Spices.....	5,096,627	4,457,714
Earthenware, etc.....	1,369,803	1,374,898	Stationery.....	1,439,957	1,420,707
Electrical apparatus.....	1,592,271	1,486,483	Sugar.....	29,935,007	35,384,322
Glass and glassware.....	4,688,640	3,793,686	Tea chests.....	874,146	1,214,625
Grain and pulse.....	1,191,280	4,002,346	Tobacco.....	2,734,973	2,574,379
Instruments:			Toys and games.....	1,136,980	1,016,159
Musical.....	1,429,632	966,044	Umbrellas.....	647,819	579,956
Scientific.....	903,868	1,016,369	Woolen goods.....	8,978,693	9,445,877
Iron and steel, and manufactures of:					
Cutlery.....	593,592	568,315			
Hardware.....	7,446,449	6,972,512			

SUGAR IMPORTS AND PRODUCTION.

The imports of sugar, molasses, and confectionery into India during the year 1908-9 were valued at \$35,384,222, against \$29,935,607 in the preceding year. The receipts of cane and beet sugar, showing

the countries of origin and the quantities in hundredweights of 112 pounds, for the two fiscal years are given in the following statement:

Whence Imported.	1907-8.	1908-9.	Whence Imported.	1907-8.	1908-9.
Cane sugar:	<i>Cnts.</i>	<i>Cnts.</i>	Beet sugar:	<i>Cnts.</i>	<i>Cnts.</i>
China.....	7,340	6,384	Austria-Hungary.....	730,265	1,918,158
Java.....	6,593,609	6,172,039	Belgium.....	1,302	988
Mauritius.....	2,600,193	2,514,440	France.....	9,782	472
Reunion.....	23,587	19,505	Germany.....	51,879	3,071
Other countries.....	26,052	6,891	Other countries.....	832	21,335
Total.....	9,250,841	8,719,259	Total.....	794,060	1,944,024

It was formerly the practice to accept the country of shipment as the country of origin, but now for the first time it is possible to assign shipments to the countries in which the sugar was produced. This change brought out some remarkable facts, as, for instance, in 1906-7, under the old system, Germany was credited with shipments of beet sugar to India amounting to 1,657,679 hundredweight, while in 1908-9 the shipments fell to 3,071 hundredweight. Austria-Hungary made large gains, which no doubt shows that nearly all the beet sugar received from Germany was really the product of the former country.

There is an impression that the cultivation of sugar cane in India is contracting seriously because of the foreign supplies. Statistics do not prove this, as the acreage of the current year's crop is estimated at 2,184,000 acres, against 2,192,700 acres, the average of the last five years, while the area in 1907-8 was estimated at 2,639,200 acres. Crops are often grown in small patches the combined area of which can not be estimated. At the same time, it is difficult to imagine that imports of foreign sugar at the rate of 500,000 tons annually can be continued without affecting the local industry as a whole. The great bulk of the sugar cane of India is not converted into crystalline sugar, but is consumed in the crude form. This is more nutritious than refined sugar and there is a growing local demand for it.

GRAIN AND PULSE—TOBACCO—MINERAL OILS.

The imports of grain and pulse, etc., showed an increase of \$2,811,066, the figures being \$1,191,280 for the fiscal year 1907-8 and \$4,002,346 for 1908-9. The quantity of these articles imported was 29,225 and 95,400 tons, respectively, for the two years. The principal increases were in rice, from 3,718 to 32,739 tons; wheat, 12,783 to 28,948 tons; flour, 2,436 to 6,651 tons; and pulse, 7,878 to 20,827 tons. Rice was imported chiefly from the Straits Settlements, the receipts from that country amounting to 30,573 tons, as compared with 3,176 tons in the previous year. The receipts of wheat from Australia rose from 3,019 tons to 19,697 tons.

The imports of tobacco, cigars, and cigarettes in 1908-9 were valued at \$2,574,379, as compared with \$2,734,973 in the previous year. Of the imports in 1908-9, about 73 per cent, or \$1,874,048, represented the value of cigarettes, as compared with \$1,985,532 for 1907-8. Of the total value of cigarettes in 1908-9, the United States furnished \$271,551 worth and the United Kingdom \$1,450,217.

Mineral oils were imported into India to the value of \$12,682,099 in 1908-9, as compared with \$10,360,779 in the previous year. Of this about 85 per cent was kerosene. The United States supplied over 50 per cent of the value of kerosene imported from foreign countries, increasing its sales from 24,278,000 gallons, valued at \$3,893,200, in 1907-8 to 33,915,000 gallons, worth \$5,435,881, in 1908-9. Roumania takes second place with 16,284,000 gallons, valued at \$1,751,940, a gain of 584,000 gallons in quantity and \$9,733 in value. In the value of the oil, Sumatra ranks third, followed by Straits Settlements, Russia, and Borneo in the order named.

The following statement shows the quantity and value of foreign kerosene imported, the country of origin, and also the imports into India proper from Burma for the fiscal years 1907-8 and 1908-9:

Country of origin.	Quantity.		Value.	
	1907-8.	1908-9.	1907-8.	1908-9.
	<i>Gallons.</i>	<i>Gallons.</i>		
United States.....	24,278,000	33,915,000	\$3,893,200	\$5,435,881
Borneo.....	7,944,000	6,427,000	686,176	603,446
Roumania.....	15,700,000	16,284,000	1,742,207	1,751,940
Russia.....	9,377,000	7,004,000	1,124,162	1,875,970
Straits Settlements.....	6,038,000	10,855,000	506,116	1,056,080
Sumatra.....	2,040,000	9,096,000	228,726	1,090,096
Total.....	65,427,000	83,581,000	8,180,567	10,813,363
Burma, coastwise.....	64,556,000	82,278,000	7,479,811	7,304,617
Grand total.....	129,983,000	145,859,000	15,660,398	18,117,980

COAL INDUSTRY—COTTON, SILK, AND WOOL RECEIPTS.

Coal represents 17.2 per cent of the value of raw materials imported into India, the receipts amounting to \$2,668,302 in 1908-9, against \$1,927,164 in the previous year. About 48 per cent of the coal comes from the United Kingdom, 32 per cent from Australia, and the remainder from Natal, Japan, Portuguese East Africa, and Ceylon.

The coal industry in India is assuming important proportions, the output being 12,149,020 tons in 1907-8, as compared with 10,526,468 tons in 1906-7. Of the total, 11,559,911 tons were produced in Burma, an increase of 1,566,563 tons over the preceding year.

The imports of raw cotton decreased from \$2,301,855 in 1907-8 to \$1,722,741 in 1908-9. About 70 per cent of the cotton was of American origin, the remainder coming principally from Egypt, although some came from Persia.

There was a falling off in the receipts of cotton yarns and of woven and other cotton goods amounting to \$32,532,551, the imports being valued at \$155,864,263 in 1907-8 and \$123,331,712 in 1908-9. The United Kingdom supplied about 90 per cent of the yarn, amounting to 37,395,000 pounds out of a total of 41,520,000 pounds, valued at \$11,840,195, imported in 1908-9, which was an increase of 3,449,000 pounds over the previous year. The imports of cotton piece goods amounted to 1,992,520,000 yards, valued at \$104,527,555, against 2,531,733,000 yards, worth \$136,403,129 in 1907-8. Of the total imports in 1908-9, 1,042,290,000 yards were unbleached gray goods, 477,750,000 yards bleached white goods, and 472,480,000 yards

colored, printed, and dyed goods. The United Kingdom supplied 99 per cent of the gray, 97.6 per cent of the white, and 93.5 per cent of the colored goods. The value of the imports of handkerchiefs and shawls in the piece for 1908-9 was \$1,458,490; hosiery, \$2,058,530; and thread, \$913,929.

There was an increase in the imports of silk goods, the value being \$6,926,490 in 1907-8 and \$7,401,460 in 1908-9. The imports of silk piece goods from Japan rose from \$2,797,691 to \$2,951,046, while those from China fell from \$1,377,220 to \$1,367,487. Woolen goods, which represent about 6.7 per cent of the total value of textiles imported into India, were valued at \$8,978,693 and \$9,445,877, respectively, for the two years. The United Kingdom's share of the imports in piece goods was \$4,145,772, a decrease of \$508,549 from 1907-8, while Germany increased its sales from \$1,046,298 to \$1,332,935. The number of woolen shawls imported increased from 790,118 in 1906-7 to 2,030,081 in 1908-9.

IRON AND STEEL, MACHINERY, AND RAILWAY MATERIAL.

The value of iron and steel and their manufactures imported into India during 1908-9 was \$84,029,875, against \$86,199,375 for the previous year. The imports of iron and steel only, amounted to 610,970 tons, valued at \$29,340,129, as compared with \$31,637,117 in 1907-8. Under this classification are included bars, sheets, tubes, pipes, etc.

In the following statement are shown the total imports of iron and steel in tons, together with the amount supplied by the United Kingdom, and Germany and Belgium combined:

Class.	Total im-ports.	From United King- dom.	From Germany and Bel- gium.
	<i>Tons.</i>	<i>Tons.</i>	<i>Tons.</i>
Angles, bolts, rods, etc.....	31,760	16,028	15,378
Bars.....	154,061	20,363	129,245
Beams, etc.....	72,427	53,428	18,953
Hoop.....	20,596	14,426	4,413
Nails, etc.....	16,267	3,320	9,803
Pipes and tubes.....	29,807	25,395	422
Sheets and plates, galvanized, etc.....	203,536	155,876	46,526
All other.....	82,517	56,845	17,322
Total.....	610,970	345,381	242,063

Machinery and millwork, valued at \$21,466,132, represented about 25 per cent of the total imports of iron and steel and their manufactures into India in 1908-9. The imports of textile machinery advanced from \$8,540,708 to \$9,509,081. Of this Bengal took \$4,518,059 worth as compared with \$3,505,340 in 1907-8. This machinery is mainly devoted to the production of jute goods. The cotton industry in Calcutta finds it hard to compete with centers that possess a larger choice of staples and where the standard of and the demand for labor are not determined by the requirements of jute factories. Bombay, though enjoying these advantages, now takes second place with textile machinery, to the value of \$4,390,556, a decrease of \$235,539 from 1907-8. The value of steam engines imported into all

India declined from \$4,468,420 to \$3,522,860. Electrical machinery and mining machinery both showed substantial progress, the imports in 1908-9 amounting to \$1,150,927 and \$401,000, respectively.

The imports of railway material (exclusive of material for government railways amounting to \$14,662,765) were valued at \$24,074,576, an increase of \$715,376 over 1907-8. During the twelve months 774 miles of railway were opened, while 2,741 miles were under construction or sanctioned in April, 1909. At that date the total length of lines opened in India was 30,983 miles.

EXPORTS OF INDIAN MERCHANDISE.

The exports of Indian merchandise in 1908-9 represented about 98 per cent of the total exports of merchandise, valued at \$496,368,401, and 54.6 per cent of the total imports and exports of merchandise.

The principal articles of export for the fiscal years ended March 31, 1908 and 1909, were as follows:

Articles.	1907-8.	1908-9.	Articles.	1907-8.	1908-9.
Bones, animal.....	\$1,766,550	\$1,690,087	Mica.....	\$1,110,346	\$617,238
Bristles, etc.....	498,099	665,776	Oils.....	2,783,638	3,065,895
Coffee.....	3,615,810	4,511,246	Oil cake, etc.....	2,438,896	2,908,260
Cotton, and manufactures of:			Opium.....	28,138,103	30,332,895
Raw.....	83,387,478	64,135,604	Provisions.....	2,447,850	2,467,316
Cloth and yarn.....	34,931,737	37,428,252	Pulse, millet, etc.....	6,564,909	2,652,243
Hemp.....	2,616,065	1,936,342	Rice.....	65,964,874	51,550,835
Hides and skins.....	35,530,317	40,450,348	Seeds.....	54,553,465	37,885,703
Indigo.....	2,068,263	1,591,346	Silk, raw.....	2,058,530	1,751,940
Jute, and manufactures of:			Spices.....	1,706,142	1,897,935
Raw.....	58,310,403	64,349,730	Tea.....	33,418,256	33,720,669
Manufactures.....	59,361,567	51,054,452	Wheat and flour.....	29,671,051	6,037,868
Lac.....	13,246,613	9,066,290	Wood and timber.....	2,681,442	1,868,736
			Wool.....	6,827,700	6,759,569

For the second time raw jute supplanted raw cotton as the single export article of largest value and, together with its manufactures, represents a larger total than cotton and its manufactures. Raw jute showed an increase from \$58,310,403 to \$64,349,730, while jute manufactures fell from \$59,361,567 to \$51,054,452. On the other hand, raw cotton decreased from \$83,387,478 to \$64,135,604, while cotton manufactures rose from \$34,931,737 to \$37,428,252.

Jute manufactures represented 42.9 per cent of the total value of exports of Indian manufactured articles, against 41.2 per cent in 1907-8. Jute bags were exported to the value of \$25,198,737, and jute cloth, \$25,597,790, as compared with \$27,500,592 and \$31,447,323, respectively, in 1907-8. The United States is the largest single buyer of jute fabrics from India, taking cloth to the value of \$16,964,619 and bags worth \$1,753,887 in 1908-9. Australia buys the most bags, the value in 1908-9 amounting to \$5,146,324. The purchases of jute fabrics by the United Kingdom fell from \$3,539,893 to \$3,119,427. Shipments to Argentina were mainly in cloth which is used in the manufacture of grain bags, the value of which was \$7,299,750, compared with \$7,815,599 in the previous year. Chile, on the other hand, buys nitrate bags ready-made of sacking quality, the value amounting in 1908-9 to \$1,510,562, a decrease of \$387,373 from 1907-8.

COTTON YIELD AND SHIPMENTS—WOOL.

It was estimated that the India cotton crop acreage in 1908-9 amounted to 19,740,000 acres, with a yield of 3,643,000 bales of 400 pounds each, compared with 21,600,000 acres and 3,122,000 bales in 1907-8 and 22,490,000 acres and 4,932,700 bales in the previous year. The average yield per acre in 1908-9 was about 74 pounds, about one-third the average yield sometimes obtained in the United States.

The following statement shows the destination of the cotton exported during the fiscal years 1906-7, 1907-8, and 1908-9:

Country.	1906-7.	1907-8.	1908-9.
	<i>Cwt.</i>	<i>Cwt.</i>	<i>Cwt.</i>
Austria-Hungary.....	619,000	622,000	390,000
Belgium.....	1,102,000	1,254,000	966,000
China.....	166,000	135,000	216,000
France.....	560,000	625,000	456,000
Germany.....	1,663,000	1,890,000	1,137,000
Italy.....	874,000	1,060,000	861,000
Japan.....	1,729,000	2,245,000	2,223,000
Spain.....	139,000	157,000	107,000
United Kingdom.....	452,000	453,000	383,000
All other countries.....	97,000	131,000	89,000
Total.....	7,401,000	8,562,000	6,798,000

Yarn represented 83.9 per cent of the total exports of cotton goods, reaching a value of \$31,406,932. The shipments to China amounted to \$27,709,851, or about 88 per cent of the total value, against 74 per cent in 1907-8. On the other hand, the exports of yarn to countries other than China showed a falling off. The trade with the Levant and Black Sea fell from 8,944,280 to 7,450,046 pounds, Turkey in Asia from 1,925,784 to 454,240 pounds, and Egypt from 3,017,176 to 2,089,420 pounds.

Gray goods, valued at \$2,063,396, represented 37.3 per cent of the piece goods. The quantity produced during the year was 43,572,079 yards, of which China took 3,647,394 yards, East Africa 15,092,964 yards, Asiatic Turkey 8,809,347 yards, and Aden 7,954,014 yards. Dyed and printed cloths are shipped mainly from Madras and Bombay to the Straits Settlements, Ceylon, and the Philippine Islands, the value amounting to \$2,495,541 and \$408,786, respectively, from the two places.

The number of employees engaged in the manufacture of cotton goods increased from 220,363 to 231,758, mills from 223 to 225, spindles from 5,696,994 to 5,875,798, and looms from 65,307 to 72,931. The average annual production of rice has advanced from 53,191,260 to 54,798,763 pounds.

The shipments of wool, valued at \$6,827,700 in 1907-8, fell to \$6,759,569 in 1908-9, although the quantity increased from 39,800,000 to 43,400,000 pounds. The United Kingdom took almost the same value of wool in 1908-9 as in 1907-8, amounting to \$6,640,339 and \$6,645,693, respectively. The exports to the United States remained at a low level, being valued at only \$87,597.

UNITED KINGDOM LARGEST PURCHASER OF TEA.

There were 548,127 acres planted in tea, producing 247,477,324 pounds in 1908, as compared with 538,818 acres, producing 248,020,397

pounds in 1907, and 532,208 acres, producing 241,403,510 pounds in 1906. Of the total acreage in 1908, 433,290 acres, or 79 per cent, were situated in Eastern Bengal and Assam, which, with Bengal proper, represented 89 per cent of the whole, the balance being divided among Northern India with 17,479 acres, Southern India with 41,729 acres, and Burma with 1,724 acres.

In 1908-9 the quantity of Indian tea exported was 233,962,000 pounds, valued at \$33,720,669, against 227,022,000 pounds, worth \$33,418,256, in the previous year. The exports of tea, by countries, during the fiscal years 1907-8 and 1908-9 were as follows:

Country.	1907-8.	1908-9.	Country.	1907-8.	1908-9.
	<i>Pounds.</i>	<i>Pounds.</i>		<i>Pounds.</i>	<i>Pounds.</i>
United States.....	2,086,000	2,139,000	Russia.....	15,407,000	18,552,000
Australia.....	10,977,000	8,998,000	Turkey in Asia.....	3,504,000	3,293,000
Canada.....	4,844,000	7,028,000	United Kingdom.....	169,325,000	177,259,000
Ceylon.....	8,881,000	4,286,000	Other countries.....	2,918,000	4,731,000
China.....	7,502,000	6,770,000			
Persia.....	1,578,000	906,000	Total.....	227,022,000	233,962,000

HIDES AND SKINS—LAC AND SEEDS.

Raw hides and skins represented 5.6 per cent of the entire exports of Indian produce. The earlier part of 1908 was marked by a heavy fall in the value of hides, and not till summer did a reaction set in. The shipments of hides and skins, raw and tanned, increased from \$35,530,317 in 1907-8 to \$40,450,348 in 1908-9. Of the exports of raw hides and skins valued at \$27,055,307 in 1908-9 the United States took \$10,531,106 worth, Germany \$6,477,312, Italy \$2,769,039, Austria-Hungary \$2,289,688, the United Kingdom \$1,482,336, and France \$841,905. The value of the tanned hides and skins exported was \$13,395,041, most of which were shipped to the United Kingdom.

The exports of lac showed a decrease of \$4,180,323, the shipments amounting to \$13,246,613 in 1907-8 and \$9,066,290 in 1908-9. This article is used in the electrical industry, also in the manufacture of high-class varnish, of hats, and of records for gramophones and talking machines. The United States maintains its position as the principal buyer of shellac and button lac, with a total value of \$3,605,103 in 1908-9 as compared with \$4,361,844 in 1907-8.

There was a falling off in the exports of seeds, amounting to \$16,667,762, the shipments being valued at \$54,553,465 in 1907-8, and \$37,885,703 in 1908-9. The oil-seed trade in some of its branches is feeling the competition of the soya bean shipped from China and Japan, but as this plant is cultivated in India efforts will be made to develop the supply. The value of the principal seeds exported was as follows: Linseed, \$8,292,516; rape, \$7,689,070; cotton, \$4,528,188; sesamum, \$5,275,286; groundnut, \$4,379,850; castor, \$3,430,823, and poppy, \$2,691,175. Linseed goes chiefly to the United Kingdom, France, and Italy; rape seed to Germany, Belgium, and France; sesamum to Austria-Hungary and France; cotton and castor seeds to the United Kingdom; poppy seed to Belgium and France, and groundnuts to France. Of the exports of oil seeds, Bombay shipped \$20,074,313 worth, Bengal \$8,015,126, Madras \$4,934,631, and Sind \$4,404,183.

OPIUM, RICE, WHEAT, AND FLOUR.

The area under poppy in the Bihar and Benares agencies was reduced from 505,956 to 392,419 acres. The number of chests of Bengal opium offered for sale in 1908 was 46,800 as compared with 50,400 in 1907 and 10,800 for the first three months of 1909. The value of the opium exported during the fiscal year 1907-8 was \$28,138,103 and in 1908-9 \$30,332,895. Most of the opium goes to Hongkong, Straits Settlements, and China.

Rice formed 85.6 per cent of the total value of food grains exported from India in 1908-9, against 64.5 per cent in 1907-8. The exports, however, fell in value from \$65,984,874 to \$51,550,835. Ceylon is the largest single purchaser of Indian rice, taking \$10,414,310 worth, against \$11,290,280 in 1907-8.

The wheat crop of India for 1908-9 was estimated at 25,836,000 acres, yielding 7,580,800 tons. The shipments of wheat dropped in value from \$27,836,380 in 1907-8 to \$4,347,245 in 1908-9. The cause of this decrease was disastrous rainfalls. Sowing of all kinds was contracted, and wheat in many places was displaced by food crops capable of earlier maturity. Famine conditions existed over wide tracts, and much of the reduced wheat crop that might have been available for export was diverted to serve internal demand. The value of the exports of wheat flour for 1908-9 was \$1,690,623, against \$1,834,671 in the previous year.

BOMBAY.

By CONSUL E. HALDEMAN DENNISON.

The total sea-borne trade of Bombay for 1908 showed a considerable advance even over the large figures of the previous year, the increase in value being \$32,938,447. The imports forged ahead by \$22,501,591 and the exports \$10,436,856. The expansion of trade was spread over all the principal articles that go to make up the import trade of Bombay. No doubt a part of this large increase was due to a rise in prices, but the very fact that this rise in prices was not able to restrict the volume of trade is an indication of the healthy and prosperous condition of the country. Besides the large increases in articles of luxury and comfort, heavy imports of raw materials, machinery, especially textile and mining, and railway material attest to the steady industrial progress of the port.

In the following statement is shown the value of the imports and exports of the port of Bombay for the past three years, excluding treasure, government stores, and reimports.

Trade.	1906.	1907.	1908.
Imports.....	\$121,731,306	\$126,846,750	\$149,350,241
Exports.....	132,446,924	142,542,784	152,979,640
Total.....	274,178,230	269,391,534	302,329,981

The following table shows the value of the imports, by articles, into Bombay during 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Apparel.....	\$2,921,343	\$3,425,390	Machinery and mill-work.....	\$8,596,173	\$9,816,493
Animals, live.....	704,458	596,046	Matches.....	613,445	688,497
Arms and ammunition..	161,372	235,694	Metals, and manufactures of.....	10,485,163	12,633,570
Art. works of.....	112,637	92,149	Oils.....	2,594,946	3,103,843
Building material.....	560,206	589,454	Oilcloth.....	98,323	154,918
Candles.....	56,332	74,929	Paints and colors.....	712,484	740,235
Carriages and carts.....	1,575,806	1,999,070	Paper, and manufactures of:		
Chemicals, drugs, and dyes:			Books and printed matter.....	482,074	552,306
Chemicals.....	746,456	768,681	Stationery.....	642,980	719,100
Drugs and medicines.....	1,248,203	1,332,093	All other.....	1,234,303	1,424,760
Dyeing and tanning materials.....	2,279,888	2,419,374	Provisions.....	3,145,653	3,445,841
Clocks and watches.....	274,761	293,672	Railway plant and rolling stock.....	3,023,753	8,289,128
Coal.....	1,404,253	1,515,760	Seeds.....	91,671	114,178
Cotton, and manufactures of:			Silk, and manufactures of:		
Raw.....	1,500,079	2,337,804	Raw.....	1,529,625	2,676,177
Twist and yarn.....	3,068,393	3,947,138	Manufactures.....	4,129,091	4,763,112
All other.....	35,481,096	39,331,140	Soap.....	423,444	550,097
Earthenware and porcelain.....	409,035	433,068	Spices.....	1,177,513	1,534,100
Fibers:			Spirits, wines, etc.....	1,939,116	1,960,560
Cordage.....	98,216	113,057	Sugar.....	10,029,795	9,957,223
Flax, and manufactures of.....	201,338	310,094	Tallow.....	188,399	250,162
Jute, and manufactures of.....	132,752	115,478	Tea.....	442,107	636,934
Fireworks.....	174,907	168,322	Tobacco, and manufactures of.....	372,690	401,520
Glass and glassware.....	1,868,036	2,547,320	Toys, etc.....	399,064	477,352
Grain and pulse.....	659,318	850,555	Umbrellas.....	250,900	408,006
Gums and resins.....	390,478	375,670	Wood, and manufactures of:		
Hardware and cutlery.....	3,375,308	3,942,539	Furniture.....	207,079	280,416
Hides and skins.....	489,828	346,049	All other.....	1,827,170	1,637,915
Hops.....	41,334	36,684	Wool, and manufactures of.....	3,053,758	4,231,386
India rubber.....	132,096	158,983	All other articles.....	1,451,684	1,773,960
Instruments and apparatus.....	1,400,010	1,514,192	Parcels post.....	1,988,068	2,321,712
Ivory.....	493,679	614,170			
Jewelry.....	3,131,453	2,574,551	Total.....	126,848,750	149,350,341
Leather, and manufactures of.....	625,188	747,714			

IMPORTS OF FOOD AND DRINK.

The increase in the value of grain and pulse is accounted for by the advance in the price of food grains—pulse, rice, wheat, and wheat flour showing increases. It is a curious fact that whereas Bombay gets most of its wheat from Asiatic Turkey nearly all the wheat flour comes from Hongkong, which indicates that the Chinese are adapting themselves to modern machinery.

The United Kingdom's share in the trade of spirits, wines, and malt liquors is about 65 per cent, while that of France is about 21 per cent. German whisky, which at one time was imported in large quantities into this market, has considerably diminished.

Dates and almonds constituted more than one-half of the total imports of provisions. The almond crop of France was exceptionally good and the imports from that country increased \$326,000. Imports from Persia decreased \$30,000, while those from Italy increased nearly \$50,000. The total imports of almonds amounted to \$792,670. Imports of dates, though larger in quantity, were less in value, amounting to \$1,167,000. These come from Asiatic Turkey, Maskat, and Persia.

The imports of spices increased considerably in value in spite of a heavy drop in the value of betel nuts. The Indian betel crop was satisfactory and therefore the produce of Ceylon could be dispensed with. The imports of cloves advanced to \$821,350, an increase of over \$300,000. Cardamoms, ginger, nutmegs, and pepper all showed increases.

The bulk of the imports of foreign tea is received in Bombay for reexport, principally to Persia and Turkey in Asia. Bombay is the emporium for the distribution of both foreign and Indian tea to the eastern market. The consumption of Indian tea, owing to the strenuous efforts of the tea cess committee, is steadily increasing in the European market. Russia buys largely in Calcutta instead of London.

The imports of sugar in 1908 were 4 per cent less in quantity, though the value was nearly the same as in 1907. The feature of the trade was the increase in cane and decrease in beet sugar. Java cane sugar, which under normal conditions would have found a market in America, had to find its way into India, because of the money stringency in the former country, and advanced from \$1,013,338 to \$2,564,411 in value. Mauritius supplied about two-thirds of the total imports, with Java, Austria-Hungary, and Germany following in the order named.

METALS AND METAL MANUFACTURES.

The values of the imports of metals and manufactures thereof were as follows for 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Brass.....	\$113,449	\$166,311	Steel.....	\$3,499,216	\$4,440,608
Copper.....	2,678,477	3,576,393	Tin.....	390,989	518,797
German silver.....	248,466	375,670	Zinc.....	255,383	152,790
Iron.....	3,084,822	3,071,373	Other metals.....	90,696	179,744
Lead.....	56,788	98,614			
Quicksilver.....	66,877	44,270	Total.....	10,485,163	12,633,570

The increase in the value of metals for 1908 was \$2,148,407. This was due to the purchases of the previous year at high figures coming forward in 1908. Of the total imports of \$12,633,570, the share of the United States was \$204,445, United Kingdom \$7,101,543, Belgium \$2,864,509, and Germany \$1,339,136.

The manufactures of metals consist mainly of hardware, cutlery, and sewing machines. The value of the imports in this line in 1908 from the several countries was as follows: United States, \$154,377; United Kingdom, \$2,188,935; Germany, \$933,841; Belgium, \$251,388; Austria-Hungary, \$241,192, and other countries, \$172,806.

There was an increase in the imports of brass, especially in thin sheets and wire. In the early part of 1907 the price of copper had risen to \$545.04 per ton and the American brokers attracted all the available supply from Chile, Japan, and Australia. The high range of values stimulated production in America and then ensued a struggle between the producers and consumers as to who should pay higher or accept lower prices. The monetary crisis and consequent

recession of trade helped the consumers, and a large quantity of electrolyte copper was sold to China at very low rates, with the result that prices dropped to \$265.22 per ton in October, 1907, the lowest point touched. Since then, after various attempts to raise them, prices have kept in the neighborhood of \$291.99 per ton. The Indian buyer who appreciates copper as a form of investment in a good year was not slow to take advantage of the collapse in the prices and recouped himself at the earliest opportunity.

Large business was done in German silver in anticipation of higher prices, the increase in imports amounting to 51 per cent. But the collapse in copper prices upset calculations and importers lost heavily on their purchases.

There was a slight decrease in the imports of iron into Bombay during 1908. Two items that showed losses were bar iron and corrugated iron sheets. The loss in bar iron was made up by larger imports of the same description in steel. The importation of corrugated iron sheets was overdone in 1907 and stocks could not be worked off. Pipes and tubes still further increased by \$122,670 and bolts and nuts by \$47,340. Pig iron went up 57 per cent. This shows that local industries are using this raw material in large quantities. There was an increase of \$1,000,392 in the imports of steel in 1908.

Improvement in imports of copper generally affects the tin trade in India, and the imports of the latter metal increased about 44 per cent in quantity.

MACHINERY AND MILLWORK—RAILWAY PLANT.

The increase of \$1,220,320 over 1907 in the imports of machinery and millwork shows the steady industrial progress of the country. The increase was almost entirely absorbed by textile machinery. All other descriptions showed small advances except electrical appliances, which suffered a setback after the large imports of the previous year. The share of the United States in this group was \$90,782, of which textile machinery amounted to only \$990 out of a total of \$4,757,960.

The imports of railway plant and rolling stock showed an exceptional increase in value, being \$8,289,128, against \$3,023,753 in 1907. Except wooden sleepers, materials in this line showed substantial increases. Carriages, trucks, and parts thereof absorbed the large sum of \$2,700,000 of the increase and locomotives \$1,343,340. Thus, out of an increase of \$5,265,375, \$4,043,340 was for transport—wagons, etc.—the inadequacy of which has been a constant source of complaint by the mercantile community. The United Kingdom supplied 94 per cent of this trade. All the locomotives, valued at \$1,736,154, are included in the English imports. India is said to have supplied English manufacturers with orders for 500 locomotives during the year.

IMPORTS OF CHEMICALS, DYES, MEDICINES, ETC.

There was an increase of \$22,225 in the imports of chemicals in 1908. Drugs and medicines advanced from \$1,248,203 in 1907 to \$1,332,093 in 1908, the increase being principally in asafetida and

camphor. The imports of cigarettes advanced \$47,542, making a total of \$273,612 for 1908. The popularity of cigarettes is steadily increasing.

Dyeing and tanning materials consist principally of alizarin and aniline dyes, which increased to \$790,544 and \$1,239,251, respectively, the shipments to Bombay being distributed all over the country.

The imports of kerosene increased from 17,548,821 gallons, valued at \$1,944,237, in 1907, to 18,135,502 gallons, valued at \$2,203,178, in 1908, the first time in the past five years in which an increase has occurred. The imports consisted principally of oil in bulk. Roumania supplied 9,034,305 gallons, valued at \$955,637; Russia, 6,260,619 gallons, valued at \$714,056, and the United States, 2,725,916 gallons, valued at \$514,156. Burma oil is cutting into the foreign oil trade enormously, each succeeding year showing a substantial increase in shipments into Bombay, amounting to 12,738,841 gallons in 1908, valued at \$1,977,697. This oil, of course, is subject to no duty, while competing oil has to pay 5 per cent. The total output of the Burma fields amounts to almost 150,000,000 gallons annually.

There was an increase of almost \$1,500,000 in the imports of raw materials, the total reaching \$12,482,223. This would have been much larger but for the heavy drop of \$563,272 in precious stones and pearls.

The imports of foreign coal increased 16,007 tons, with a total of 236,593 tons, valued at \$1,515,760, for 1908, in spite of the fact that receipts of Indian coal approached those of the previous year, which were exceptionally large and in 1908 amounted to 930,088 tons. The United Kingdom supplied two-thirds of the foreign shipments. A new feature of this year's trade was the commencement of coal importations from Natal.

The imports of cotton for 1908 were valued at \$2,337,804. Shipments of American cotton from the United Kingdom and of Egyptian cotton both showed advances. The increase in cotton imports was due to the fall in price caused by the financial crisis in America and to the bad condition of the China market, which resulted in the local mill owners turning their attention to the manufacture of a fine yarn, and this created a demand for American cotton.

Hides showed an increase of \$57,190, but imports of skins decreased. Ivory showed an increase of \$120,491 for 1908. The imports of raw silk increased from \$1,529,625 in 1907 to \$2,676,177 in 1908. Tallow showed an increase of \$61,763 for 1908. It is used largely in sizing preparations, the bulk coming from the United Kingdom and Australia. The imports of wool for 1908 were valued at \$215,196, against \$169,038 for 1907, nearly all coming from Persia. Raw wool is cleaned and classified, then reexported to Europe.

MANUFACTURED ARTICLES.

With an increase in value of over \$10,000,000 the imports of manufactured articles, which comprise more than half of the total imports, amounted to \$74,859,992. Yarn and textile fabrics advanced to \$52,509,406, an increase of \$6,606,445, while the balance of \$22,350,586 is divided between apparel and other articles, the value of each of which has increased approximately 6 per cent.

The following table gives a comparison between the principal counts imported into Bombay and the same counts locally produced, together with the total local produce of all counts:

Year.	Yarn imported.			Yarn locally produced.		
	26s to 30s.	31s and upward.	Total.	26s to 30s.	31s and upward.	Total, all counts.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
1906.....	4,290,000	7,890,000	12,180,000	25,760,000	15,030,000	491,000,000
1907.....	1,710,000	8,300,000	10,010,000	27,040,000	17,200,000	473,000,000
1908.....	1,600,000	9,150,000	10,750,000	28,360,000	22,920,000	457,000,000

In the quantities of the different counts of yarn it will be seen that there was a slight drop from 1,710,000 pounds to 1,600,000 pounds in 26s to 30s, whereas imports of 31s and upward advanced from 8,300,000 pounds to 9,150,000 pounds. The figure in 26s to 30s is more than the average of the past five years, excluding the abnormal year of 1905, and the drop is confined to colored yarn, probably owing to yarns now being dyed in large quantities locally. The United Kingdom furnished 92 per cent of foreign yarns.

COTTON PIECE GOODS—SILK AND WOOL.

With an increase of \$3,731,568, the total value of imports of cotton piece goods reached \$36,379,742. This gain was in white and colored goods, the value of which increased \$4,205,730 and \$2,345,706, respectively, and thus counteracted the heavy fall of \$2,819,868 in grays.

In the following table the imports of grays, whites, and colored piece goods in 1908 are compared with those in 1907:

Class.	1907.		1908.	
	Quantity.	Value.	Quantity.	Value.
	<i>Yards.</i>		<i>Yards.</i>	
Gray.....	244,600,937	\$11,932,460	188,616,407	\$9,112,592
White.....	170,368,836	8,304,830	234,927,228	12,510,560
Colored.....	198,889,125	12,410,884	216,547,878	14,756,590

There was a decrease of nearly 56,000,000 yards in the imports of grays. Dhooties, sarries, and scarves decreased from 43,000,000 to 21,000,000 yards. The heavier classes of gray goods showed further decreases, shirting having declined from 135,000,000 to 106,000,000 yards.

The imports of white piece goods in 1908 amounted to 235,000,000 yards. There was an increase of 18,000,000 yards in the imports of colored piece goods, the United Kingdom supplying 95 per cent. Handkerchiefs decreased, being valued at \$585,580, against \$753,670 in 1907. The imports of shawls and hosiery increased, Japan supplying about 55 per cent. Japanese goods have obtained a firm footing in Bombay, a successful imitation of European goods having brought about increased imports from that country.

Next to cotton piece goods in importance are the imports of silk and wool manufactures. There was an increase of \$634,021 in the imports of silk manufactures, and woolen manufactures increased from \$2,884,720 in 1907 to \$4,016,190 in 1908, the principal articles being carpets and rugs, hosiery, piece goods, shawls, yarn, and knitting wool. In carpets and rugs the English makers are successful in imitating the characteristics of the oriental wares at much cheaper rates.

The total imports of apparel for 1908 were \$3,425,390, against \$2,921,343 in 1907. There was a decrease in the imports of hats, while boots and shoes advanced.

EXPORTS OF INDIAN MERCHANDISE.

The exports of Indian produce and manufactures increased \$10,436,856 over 1907, the principal articles being raw cotton and seeds, while the exports of yarn and textile fabrics declined. The following table gives the value of the principal articles exported during 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Apparel.....	\$195,827	\$191,972	Horn and horn meal..	\$270,991	\$240,336
Books and printed matter.....	104,744	127,798	Metals.....	2,327,074	2,572,876
Cotton, and manufactures of:			Oils.....	212,490	262,408
Raw.....	52,156,358	59,546,313	Provisions.....	516,888	664,640
Twist and yarn.....	23,302,195	28,835,677	Seeds.....	23,831,619	28,903,385
All other.....	3,012,986	3,069,964	Silk, and manufactures of.....	425,984	550,135
Drugs and dyes:			Spices.....	425,216	544,531
Drugs and narcotics.....	341,433	407,654	Sugar.....	108,596	89,125
Dyeing and tanning materials.....	1,263,185	1,808,920	Tea.....	271,571	380,391
Opium.....	6,349,271	7,612,956	Toys, etc.....	58,831	67,067
Fertilizer.....	685,128	550,134	Wood, manufactures of:		
Fibers, and manufactures of:			Furniture.....	110,904	103,752
Hemp, raw.....	958,166	1,422,310	All other.....	131,650	86,237
All other.....	196,883	248,190	Wool, and manufactures of:		
Fodder, bran, etc.....	495,940	537,570	Raw.....	3,727,736	3,181,834
Fruits and vegetables.....	179,679	226,502	Manufactures.....	244,654	310,783
Grain and pulse.....	4,883,804	5,048,358	All other articles.....	808,899	719,561
Gums and resins.....	227,916	233,089	Parcels post.....	1,248,368	1,298,205
Hides and skins.....	3,467,796	3,103,017	Total.....	142,542,784	152,979,640

ARTICLES OF FOOD—METALS.

The values of the following articles each showed a gain of the amount stated: Grain and pulse, \$164,554; provisions, \$147,752; spices, \$119,315, and tea, \$108,820. The chief markets for grain and pulse are the east coast of Africa, Aden, and the Persian Gulf, which absorb over 60 per cent of the exports. The grain and pulse exported in 1908 consisted of wheat, the total value of which was \$927,850; wheat flour, \$1,457,871; rice, \$1,126,981; grain, \$155,756, and other articles, \$1,379,900.

Manganese ore forms about 87 per cent of the total exports of metals, the remainder being divided between copper and brass. The quantity and value of manganese ore shipped to the principal countries during 1907 and 1908 were as follows:

Country.	1907.		1908.	
	Hundred-weight.	Value.	Hundred-weight.	Value.
United States.....	2, 178, 400	\$544, 600	2, 416, 600	\$604, 150
Belgium.....	1, 392, 259	450, 706	1, 849, 181	652, 850
United Kingdom.....	2, 845, 203	686, 270	2, 192, 582	657, 031
Other countries.....	595, 001	190, 758	1, 228, 941	370, 107
Total.....	7, 010, 863	1, 875, 334	7, 687, 304	2, 284, 138

DRUGS AND DYES—RAW MATERIALS.

There was an increase of \$1,263,685 in the value of the exports of opium. This increase is a temporary advance in view of the determination of the British Government to restrict the cultivation of the poppy and the exportation of this drug. The increase of \$545,735 in dyeing and tanning materials, the principal article being indigo, is due to the introduction of the Java-Natal seed, which has produced satisfactory results.

The exports of raw materials and unmanufactured articles showed a gain over 1907. The following were the gains made by the principal articles: Cotton, \$7,389,955; hemp, \$464,144, and seeds, \$5,071,766. The exports of hides and skins declined \$364,779 and wool \$545,902.

The following table shows the distribution of the exports of raw cotton from Bombay during 1907 and 1908:

Country.	1907.	1908.	Country.	1907.	1908.
Austria-Hungary.....	\$5, 489, 240	\$5, 309, 655	Russia.....	\$133, 066	\$102, 670
Belgium.....	6, 382, 242	6, 270, 685	Spain.....	1, 235, 327	1, 326, 575
China.....	1, 160, 980	982, 542	United Kingdom.....	2, 192, 511	2, 070, 330
France.....	4, 750, 706	5, 063, 247	All other countries.....	400, 813	461, 060
Germany.....	7, 704, 525	9, 818, 461	Total.....	52, 156, 358	59, 546, 313
Italy.....	7, 427, 644	7, 725, 648			
Japan.....	15, 279, 335	20, 415, 440			

Seeds follow raw cotton in value of exports. The following table shows the value of the seeds exported to the several countries during 1907 and 1908:

Articles and countries.	1907.	1908.	Articles and countries.	1907.	1908.
Linseed:			Rape:		
Belgium.....	\$496, 110	\$766, 542	Belgium.....	\$591, 546	\$2, 160, 065
France.....	1, 867, 048	2, 676, 791	France.....	955, 510	1, 514, 083
Germany.....	464, 599	286, 425	Germany.....	491, 428	1, 475, 768
Italy.....	1, 344, 066	1, 492, 318	United Kingdom.....	133, 330	183, 575
Netherlands.....	42, 982	406, 813	Other countries.....	171, 294	426, 117
United Kingdom.....	67, 759	181, 094	Total.....	2, 343, 108	5, 759, 628
Other countries.....	358, 989	201, 362			
Total.....	4, 641, 553	6, 019, 945	Cotton seed:		
Til or jinjili:			United Kingdom.....	3, 490, 063	3, 200, 520
Austria-Hungary.....	576, 886	521, 897	Other countries.....	303, 518	611, 875
Belgium.....	2, 161, 587	1, 320, 504	Total.....	3, 793, 571	3, 812, 395
France.....	2, 981, 832	1, 796, 745	Other seeds.....	5, 690, 572	8, 646, 077
Other countries.....	1, 642, 510	1, 027, 194	Grand total.....	23, 831, 619	28, 903, 385
Total.....	7, 362, 815	4, 666, 340			

The greater portion of linseed goes to European countries. The increased export of rape seed was due to the failure of the crops in Germany and the Danube districts. The decrease in exports of til seed was due to the increased consumption in India.

MANUFACTURED AND PARTLY MANUFACTURED ARTICLES.

There was a decline in the exports of manufactured and partly manufactured articles due to a large falling off in the value of shipments of yarn to China. Yarn and twist fell from \$33,302,195 in 1907 to \$28,835,677 in 1908. The principal countries taking exports of this article in 1908 and the amounts received were as follows: China, \$21,666,644; Turkey in Asia, \$1,220,681; Austria-Hungary, \$1,168,821; Straits Settlements, \$959,316; United Kingdom, \$756,445; and Germany, \$666,483.

The exports of cotton manufactures improved in spite of the decrease in the exports of grays. The principal articles included in this item were: T cloth, \$708,888; chaddars, \$368,469; long cloth, \$356,150; and domestics, \$197,196. The steady advance in the local weaving industry, with increased imports of both yarn and piece goods, indicates the general prosperity of the country. By reason of the comparative cheapness of the local products, they penetrate into strata of society that the more costly foreign articles can not reach.

TRADE WITH THE UNITED STATES.

The total imports into Bombay from the United States in 1908 were valued at \$1,986,990. The principal article imported was kerosene oil, valued at \$500,000, against \$1,467,000 in 1907. The exports from Bombay to the United States decreased from \$1,545,288 in 1907 to \$1,164,458 in 1908 according to local statistics. The declared value of exports to the United States in 1908 was \$1,514,376, including returned American goods valued at \$5,753, against \$1,491,937 in 1907. The value of the principal articles exported in 1908 is shown in the following statement:

Articles.	Value.	Articles.	Value.
Automobiles and parts	\$4,915	Household effects	\$15,534
Bone meal	15,580	Nuts, cashew	34,510
Carpets and rugs	162,706	Oil	7,954
Condiments, etc.	8,392	Ore, manganese	685,047
Cotton, and manufactures of:		Seeds	15,864
Raw	19,649	Skins and hides	443,928
Piece goods	19,620	Wood, walnut	3,242
Yarn	4,729	Wool	8,061
Curios and brass ware	4,765	All other articles	11,186
Draperies, shawls, etc.	1,439		
Drugs	1,064	Total	1,508,623
Fish maws	6,472	Returned American goods	5,753
Gums	16,246		
Herbs	17,730	Grand total	1,514,376

CALCUTTA.

By VICE-CONSUL-GENERAL CHARLES B. PERRY.

The most important articles of manufacture in the Presidency of Bengal are gunny bags and gunny cloth, silk yarn and silk cloth, paper, sugar, and molasses. Saltpeter, shellac, lac dye, brass and

bell-metal ware, steel trunks and boxes, cardboard, iron chests, coarse cutlery, soap, match boxes, ice and aerated waters, country-made tobacco, oil, blankets, and shoes are also manufactured here. Minor articles in great variety are manufactured in different parts of Bengal.

Gunny, cotton twists and yarns, and paper are the principal articles manufactured on an extensive scale at the big mills in this Presidency. There were 106 factories working in this district at the close of the fiscal year 1908, against 95 in the preceding year. Thus there was an addition of 11 new factories, which include 4 jute mills, a match factory, a jute press, and 2 engineering works. In 57 of these factories work was carried on by shifts or sets, in 43 with midday stoppages, in 5 by shifts and midday stoppages combined, and in 1 at contract rates. Twenty-two factories were exempted from the rules requiring a Sunday or weekly holiday, against 20 in the previous year. Sundays were observed as close holidays in 84, against 75 in the previous year.

The average daily number of operatives in the factories has steadily increased from 145,779 in 1906 and 158,296 in 1907 to 168,849 in 1908. The rates of wages, however, remained almost unchanged, but they are generally higher than wages earned outside the factories. The operatives were provided with suitable quarters at a reasonable rent and with free medical aid. The general condition of the mill hands was prosperous. The total number of accidents reported during the year was 423, against 426 in 1907. Of the resulting injuries 23 proved fatal, 175 were serious, and 230 were slight.

THE YEAR'S WORK IN JUTE AND COTTON.

The year under report was not very profitable for the jute mills. It appears from the reports of the managing agents of the Shamnagar Jute Factory Company that, owing to general depression in trade and particularly to the financial crisis in America, the demand for jute manufactures had not been equal to the production. In order to regulate the supply in accordance with the demand, the mills were worked throughout the year only five days in the week instead of six. With the curtailment in the consumption of raw jute its prices fell, and in sympathy with the fall of price of the raw material the prices of manufactured articles came down.

According to the reports of the secretary of the Dunbar mills, the local markets for cotton yarns was quiet throughout the year. The demand from up-country was slack, owing to famine and drought. At the beginning of the year the prices for cotton yarns ruled at about \$56.50 per bale of 500 pounds; but gradually the prices of the cheaper yarns declined till they came down to \$53.50 per bale in October. A good demand for China, however, sprang up and the prices steadily advanced to \$55.30 per bale in March. The managing agents to the Bengal Mills Company attribute this rise, notwithstanding the fact of decline in the prices of American cotton, to partial failure of the cotton crop in Bengal and Berar. Of foreign markets China maintained a steadily improving demand, her own stock having been reduced to its lowest. The demand from Europe and the Levant was fair throughout the year.

Next to the products of these large mills handmade cotton cloths constitute the most important industry of this Presidency. There are large weaving classes of both Hindus and Mohammedans in every district, particularly in Nadia and Jessore. They manufacture coarse cotton fabrics, which are sold locally as well as exported. There are some centers in every district where fine cloths are also made, and large quantities are exported to eastern Bengal and Assam. It is reported by the district officers that there has been some improvement in the condition of the weavers on account of increased demand for country-made cloths, but it has not led to any remarkable expansion of the industry at any place. The supply from the hand looms not being sufficient to meet the demand, the prices continued high.

SILK AND PAPER—SUGAR PRODUCTS.

Silk is the principal industry of the Murshidabad district, in which there are some European and local firms manufacturing yarns. The Bengal silk committee continues to exercise a stimulating influence on the silk industry of the district. The annual government grant of \$16.67 to the Murshidabad Art Agency at Lalbag for the promotion of silk manufacture has been discontinued, as it did not serve the purpose for which it was granted.

The total output in 1908 of the two paper mills at Tittagar and Kankinara was 31,360,000 pounds, valued at \$1,400,000, against about the same quantity in 1907, valued, however, at only \$1,333,000. There was therefore a fair increase of profit during 1908. Paper of all of the kinds usually in demand was manufactured. Rags, grass, straw, jute, old gunnies, hemp baggings, ropes, and waste paper constituted the raw material.

The manufacture of molasses from date juice is a staple industry in the districts of Jessore and Khulna and also in some parts of the Presidency. Large quantities are exported to various parts of the province. Refined sugar is manufactured from the molasses in convenient parts of these districts, where the raw material can be collected at cheap rates and the water weeds required for the refining processes are easily available. Though the industry is said to have received some impetus on account of the Swadeshi movement, it is not on the whole prosperous. The process of refining is slow and crude and consumes much fuel. On account of the rise in the price of the raw material and fuel, and also in wages, a very slender margin is left for profit. The sugar produced, though inferior in quality to imported sugar, has to be sold at higher prices and consequently can not compete with it.

MISCELLANEOUS MANUFACTURES—DECLARED EXPORTS.

Brass and bell-metal utensils continued to be manufactured at Nabadwip, Jibbonnagore, Dharamdah, Matiari, and Meherpur in the Nadia district and also at several places in Murshidabad. Articles of superior quality are made at Murshidabad and they are exported to distant parts of the province.

The Sambhu Oil Mill at Dayanagore within Berhampore municipality continued to work satisfactorily. Another oil mill was worked during the year at Maheshgunge in the Nadia district.

At Maheshgunge a flour mill and also a factory for making shoes and tanning leather continued to work, but no figures are available showing their output. A small factory has been started at Ganganpur in the Ranaghat subdivision for manufacturing undervests, socks, and stockings.

The declared value of exports from the Calcutta consular district to the United States in the calendar year 1908 was \$42,255,300, against \$45,532,083 in 1907. The articles were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bags, gunny.....	\$2,848,775	\$3,405,228	Salt-peter.....	\$570,580	\$541,256
Chikou (cotton embroideries).....	51,523	52,076	Skins.....	6,906,751	7,107,987
Cloth, gunny.....	20,417,424	18,499,631	Tea.....	260,643	180,880
Drugs.....	5,543,471	4,250,053	Wool.....	95,417	53,277
Hides.....	1,157,354	1,723,066	All other articles.....	56,225	75,029
Jute and jute butts.....	7,361,511	6,193,039	Total.....	45,532,083	42,255,300
Mica.....	262,309	173,778			

MADRAS.

By CONSUL NATHANIEL B. STEWART.

The consular district of Madras covers South India from the extremity of the peninsula to the southern boundary of Bombay Presidency on the west coast. From this latter point Madras Presidency extends in a northeasterly direction in a strip of 100 to 150 miles wide up the east coast or Bay of Bengal, while the quasi independent State of Hyderabad, which also forms part of the district, lies directly north of the main portion of Madras Presidency and between the eastern extension of the latter and Bombay Presidency on the west.

The total area of the consular district of Madras is 265,000 square miles, with a population of 59,506,120. Madras Presidency proper covers an area of 141,726 square miles and has a population, according to the census taken in 1901, of 38,209,436. Within its boundaries are 3 quasi independent native States, 3 feudatory States, 1 Province of the Indian government, and 4 small French ports, with a combined population of 10,155,542, which is not included in the figures mentioned. The State of Hyderabad, commonly called the Deccan, lying north of Madras Presidency, has an area of 82,698 square miles and a population of 11,141,142.

Owing to the lack of sufficient rainfall over much of the district both the government and private individuals have from the earliest times constructed irrigation works to partly overcome this. Tanks have been built in great numbers for storing water from the rains to be used during the dry season; dams and canals have been built for diverting streams for irrigation purposes; wells are used wherever practicable; and of late years oil engines and pumping machinery are being applied for lifting water where it can be found within a reasonable distance beneath the soil. At present there are about 1,250,000 acres under irrigation within Madras Presidency.

HARBOR FACILITIES—TRANSPORTATION.

The district is washed by the sea for about 1,700 miles, including both the east and west coasts, but there is not a single natural

harbor along this whole line capable of accommodating ocean-going vessels. The city of Madras possesses an artificial harbor capable of accommodating about 10 vessels, formed by running out masonry groins into the sea. The other ports are merely open roadsteads in which ships lie, and discharge or take on cargo by means of boats through the never-ceasing surf.

A good system of roads is maintained by public authority throughout the district. In Madras Presidency and the Province of Coorg there are 20,759 miles of macadamized and 4,689 miles of ordinary public roads. The repair of these costs about \$1,000,000 annually.

There are two systems of railroads operating within the district, the South India Railway and the Madras and Southern Mahratta Railway. Each is in the hands of a private company, though the second is a government-built line under lease to the operators. The total mileage of the two systems is 4,795, of which a little more than three-fourths is within the limits of the district. There are through daily trains running between Madras and Calcutta, Bombay, and the west coast towns, and there is also connection with fast daily passenger steamers at Tuticorin, which is at the southern end of the peninsula, for Colombo.

Railways have done much toward alleviating suffering from famine in all India. Food supplies can be carried over them to the suffering districts, which was impossible, except in a comparatively small way, before the era of railroads. On account of the quick and economical means of transporting foods the railways have also made prices relatively uniform all over India, and have consequently had much influence toward regulating the price of labor.

SHIPPING—CITIES.

There are several steamship lines with regular callings at Madras. The more important of these are the British India Steam Navigation Company, the Clan Line, the Hall Line, and the Asiatic Steam Navigation Company. During the year ended March 31, 1908, 654 vessels called at the port, the aggregate tonnage of which was 1,585,245. The number of vessels calling at minor ports of the Presidency was 23,246, and the aggregate tonnage of these was 8,390,543. Among all of these there was not one of American register, and there were only 5 sailings for American ports, the latter being on account of the shipments of manganese ore to the United States.

There are several cities of commercial importance within the district. The largest of these are Madras, with a population of 509,436; Hyderabad, 448,466; Bangalore, 159,046; and Madura and Trichinopoly, 105,984 and 104,721, respectively. There are also about 25 towns in Madras Presidency ranging in population from 30,000 to 75,000.

AGRICULTURE—GRAZING.

The chief industry of this district is agriculture, and about 69 per cent of the population follow this calling. The total area under cultivation in the Madras Presidency is 25,859,312 acres. Of this a great deal produces a second crop which, during 1907-8, brought the total crop area up to 29,247,767 acres.

The principal agricultural products are rice and other food grains, cotton, coffee, groundnuts, tea, castor beans, spices, fruits, and vegetables, including cocoa nuts, jinjili, sugar cane, jute and hemp, and seeds of various kinds.

Agricultural experiment stations and schools have been established in many parts of the Presidency within recent years for purposes of crop improvement and to teach the people the value of scientific farming. These are apparently doing valuable work and give promise of increased worth to the country in the future.

Grazing is next to agriculture in importance in this district. Of cattle, including buffaloes, there are 16,538,550; sheep and goats, 12,857,079; donkeys, 119,316; horses and ponies, 42,435; mules, 260; and camels, 5. The value of hides and skins exported from Madras exceeds that of any other single product. It is said, however, that many of the hides and skins exported are purchased outside the district.

FORESTRY—MANUFACTURING—MINING.

There are at present 18,549 square miles of reserved forest lands in the Presidency and 1,058 square miles of other reserved lands. The work of forest protection and renewal is receiving more attention yearly as the importance of this branch of the public service becomes more evident. The collection of scientific data to determine the effects of deforestation and afforestation upon climate, rainfall, etc., was recently commenced.

The manufacturing interests of the district are not very extensive. Practically all development of this kind has been by Europeans, and there seems little active interest on the part of natives. Cotton spinning and weaving are the most important of the manufacturing interests. The average daily number of employees in all the cotton mills of the district during 1907-8, excepting those of 5 mills within French territory, was 16,740. Other manufacturing interests and the number of employees follow: Printing presses, 4,709; tile and brick works, 4,248; coffee-curing works, 3,300; mica splitting, 2,895; cotton gins and presses and spinning and weaving establishments not classed as mills, 2,700 and 1,100, respectively; jute spinning and weaving mills, 1,589; sugar factories, 1,757; lace-making establishments, 1,700; tobacco factories, 1,443; coir works, 1,300; tanneries, 1,200; oil mills, 1,200; and rice mills, 1,000. The number of workmen employed in government and municipal factories was 5,043, and in railway workshops, 11,623.

Several minerals are found in the district, but the only products mined to any extent are gold, coal, manganese, mica, and chrome. Gold to the value of about \$10,000,000 is taken annually from the Kolar gold fields in Mysore. The output seems to remain about the same each year. From 500,000 to 600,000 tons of coal are mined annually in Hyderabad. This is used largely on Indian railways, but is not a good quality of steaming coal. Manganese is plentiful in the Presidency, but the production of this fell off considerably during 1908 because of the lack of demand in the steel industries. The trade appears to be picking up, however. Mica is plentiful within the Presidency, but that found is not of a very good quality,

and is little mined. Some chrome is exported, but the mining of this is of very little importance.

FOREIGN TRADE OF MADRAS.

The total foreign trade, exclusive of treasure and government stores, of the Madras Presidency for the fiscal year ended March 31, 1908, was \$93,660,578, against \$85,439,512 for the previous year. The imports for 1907-8, exclusive of treasure and government stores, were valued at \$33,259,840, against \$29,412,794 for 1906-7, an increase of \$3,847,046, and the exports \$60,400,738, against \$56,026,718, an increase of \$4,374,020.

The import trade of the district was divided as follows: British Empire, 79 per cent; Belgium, 5.6 per cent; France, 3.8 per cent; United States, 3.3 per cent; Germany, 3 per cent; Austria-Hungary, 1.6 per cent; and all other countries, 3.7 per cent. The exports were credited to the following countries: British Empire, 60.5 per cent; France, 9.4; Belgium, 7.2; Germany, 6.2; Japan, 5.7; United States, 4.2; and all other countries, 6.8 per cent.

The following statement shows the value of the principal articles imported into Madras Presidency in 1906-7 and 1907-8, exclusive of treasure and government stores:

Articles.	1906-7.	1907-8.	Articles.	1906-7.	1907-8.
Animals, live.....	\$273,727	\$155,554	Iron and steel, and manuf- actures of—Continued.		
Arms and ammunition....	428,591	449,958	Metals.....	\$2,367,750	\$3,459,768
Art works.....	23,354	11,319	Railway plant and rolling stock.....	2,073,922	2,906,943
Books and printed matter.	90,969	115,735	Jewelry.....	84,561	27,834
Building material.....	140,201	192,080	Lac.....	22,973	4,881
Candles.....	70,196	79,107	Leather, and manufac- tures of:		
Caoutchouc.....	17,000	25,866	Boots and shoes.....	31,483	37,448
Carriages and other ve- hicles:			All other.....	50,221	52,911
Carriages and carts....	67,387	35,723	Liquors.....	731,897	700,681
Cycles.....	71,104	87,078	Matches.....	243,039	311,804
Motor cars and cycles.	102,126	133,232	Mats and matting.....	12,083	12,493
Chemicals, drugs, and dyes:			Oils:		
Chemicals.....	242,458	266,260	Mineral.....	915,055	1,384,285
Drugs and medicine....	300,487	330,390	Vegetable.....	118,006	144,294
Dyeing and tanning materials.....	238,478	356,718	All other.....	4,718	4,339
Clocks and watches.....	23,825	23,640	Paints and colors.....	116,029	141,300
Coal.....	63,954	131,500	Paper, and manufactures of:		
Corks.....	7,528	5,895	Paper and pasteboard	364,928	496,425
Cotton, manufactures of:			Stationery, exclusive of paper.....	141,275	161,040
Piece goods.....	8,149,987	8,479,392	Printing and lithograph- ing material.....	52,648	56,012
Twist and yarn.....	3,226,148	3,438,794	Provisions.....	548,316	592,914
All other.....	70,184	111,712	Seeds.....	27,995	17,783
Earthenware.....	68,415	74,479	Shells and cowries.....	8,564	20,798
Fibers, manufactures of:			Soap.....	96,870	135,048
Flax goods.....	20,197	30,888	Spices.....	989,345	1,021,124
Jute goods.....	223,586	254,144	Sugar.....	450,346	303,785
All other.....	19,758	10,204	Tallow.....	16,683	16,570
Fodder, bran, etc.....	28,434	15,682	Tar and pitch.....	31,006	43,651
Fruits and vegetables....	16,344	25,689	Tea chests.....	69,217	89,331
Glass and glassware....	333,313	456,904	Tobacco.....	239,160	230,956
Gold and silver thread..	652,521	1,006,912	Toys.....	88,483	104,432
Gums and resin.....	50,602	64,117	Umbrellas.....	25,268	25,604
Haberdashery and milli- nery.....	161,540	195,010	Wood, and manufactures of:		
Hats, caps, and bonnets.	25,689	27,958	Furniture.....	52,135	47,224
Hides and skins:			All other.....	197,223	170,687
Dressed.....	43,786	36,054	Parcels post.....	289,552	309,263
Undressed.....	145,506	155,781	All other articles.....	1,187,963	653,574
Instruments, and parts thereof.....	424,041	332,136			
Iron and steel, and manu- factures of:			Total.....	29,412,794	33,259,840
Hardware and cutlery	826,646	1,024,665			
Machinery and mill- work.....	1,116,289	1,434,953			

IMPORTS FROM THE UNITED STATES.

The total value of imports from the United States into Madras during 1907-8 was \$1,087,424, against \$629,116 in the previous year. The value of the principal articles imported during 1906-7 and 1907-8 is shown in the following table:

Articles.	1906-7.	1907-8.	Articles.	1906-7.	1907-8.
Apparel.....	\$1,128	\$1,486	Lamp ware.....	\$5,151	\$5,470
Canned goods.....	2,211	2,472	Oils:		
Carriages and other vehicles:			Kerosene.....	482,529	821,807
Motor cars and cycles.....	4,100	748	Lubricating.....	19,484	60,486
All other.....	2,106	3,061	All other.....	5,313	6,215
Clocks and watches.....	5,256	6,784	Paints and colors.....	2,270	1,430
Drugs and medicines.....	7,286	9,144	Printing materials.....	2,316	3,159
Furniture.....	2,226	3,145	Soap.....	2,195	1,628
Haberdashery and millinery.....	1,450	1,022	Spirits.....	11,917	15,195
Instruments:			Stationery.....	2,129	1,844
Musical.....	1,445	942	Tobacco, and manufactures of:		
Scientific.....	1,852	3,061	Cigarettes.....	14,586	40,991
Surgical.....	1,289	1,238	Raw.....	1,624	214
Iron and steel, and manufactures of:			All other.....	3,469	9,684
Firearms.....	2,103	2,923	Toys.....	3,523	11,021
Implements and tools.....	6,093	9,909	All other articles.....	10,505	25,770
Machinery—			Total.....	629,116	1,087,424
Sewing.....	2,781	5,230			
Textile.....	6,170	7,950			
Typewriting.....	2,412	4,487			
All other.....	12,197	18,868			

The imports of kerosene and lubricating oil and tobacco products in 1907-8 increased \$380,280 and \$31,210, respectively, over the previous year. These two articles make up about 85 per cent of the total imports from the United States into the Madras Presidency.

The following statement shows the value of the principal exports from Madras Presidency during 1906-7 and 1907-8:

Articles.	1906-7.	1907-8.	Articles.	1906-7.	1907-8.
Animals, live.....	\$606,709	\$581,743	Jewelry and plate.....	\$41,031	\$7,836
Apparel, excluding hosiery.....	92,910	61,548	Lac.....	19,543	18,926
Books and printed matter.....	10,757	17,135	Mica.....	295,891	269,972
Bristles, etc.....	315,090	227,354	Oils:		
Building material.....	31,815	47,117	Essential.....	157,800	126,010
Coffee.....	3,144,133	3,584,567	Vegetable.....	149,167	651,676
Cotton, and manufactures of:			All other.....	6,371	34,580
Raw.....	7,184,094	11,001,443	Paints and colors.....	61,420	41,666
Piece goods.....	2,477,668	2,392,261	Provisions.....	767,112	916,038
Yarn and twist.....	553,496	397,682	Salt.....	30,902	3,346
All other.....	180,766	295,755	Seeds.....	4,572,296	5,726,895
Drugs and medicines.....	151,471	219,507	Silk.....	70,898	74,948
Dyeing materials.....	750,491	743,299	Spices.....	1,334,122	1,007,527
Fertilizers.....	1,163,690	886,502	Stone and marble.....	17,328	14,463
Fibers, etc.:			Sugar.....	232,000	312,673
Cotton.....	28,939	34,292	Tea.....	2,687,679	2,934,660
Hemp.....	315,928	291,259	Tobacco.....	221,914	213,309
Jute.....	1,277,744	323,821	Wood, and manufactures of:		
All other.....	1,841,780	1,747,270	Furniture.....	9,672	7,085
Fodder, bran, etc.....	711,456	965,644	All other.....	478,971	516,058
Fruits and vegetables.....	928,345	994,142	Wool, and manufactures of:		
Grain and pulse.....	7,085,526	9,599,718	Raw.....	75,451	67,057
Hides and skins:			All other.....	83,149	98,605
Dressed.....	11,689,062	9,882,393	Parcels post.....	177,933	497,524
Undressed.....	3,033,926	1,895,735	All other articles.....	550,866	163,741
Horn and horn meal.....	93,889	112,992	Total.....	56,026,718	60,400,738
Iron and steel, and manufactures of:					
Hardware and cutlery.....	31,113	23,986			
Metals.....	284,361	348,978			

EXPORTS TO THE UNITED STATES—TRADE OPPORTUNITIES.

The total value of declared exports to the United States from Madras during 1908 was \$2,232,687, against \$3,443,723 in 1907. The following table shows the value of the principal articles exported:

Articles.	1907.	1908.	Articles.	1907.	1908.
Chrome ore.....		\$1,295	Skins, goat and sheep:		
Cotton goods.....	\$273,992	197,522	Dried.....		\$9,018
Druggets, woolen.....	8,231	8,488	Pickled.....	\$482,611	484,253
Fleshings, hide.....	50,328	58,823	Salted, dry.....	662,628	192,541
Lac seed.....		1,519	Salted, wet.....	38,681	147,672
Myrobolans.....		10,886	Tanned.....	1,400,414	826,036
Nux vomica.....	8,514	15,258	All other articles.....	215,612	2,507
Ore, manganese.....	293,411	276,014	Total.....	3,443,723	2,232,687
Senna, etc.....	9,301	1,856			

Not only this district but all of India offers to American manufacturers a field for a much larger portion of its trade than they now have. The chief difficulty in the way of expansion is the conservatism of importers, most of whom are English and who have a natural inclination to favor their own country in all their trade relations. Business methods are also somewhat different from those in the United States, and this renders dealings more difficult than they otherwise would be. To overcome these obstacles will require time, patience, and tact. American firms looking for an increase of trade here should send out experienced and competent men to acquaint themselves with the representatives of import houses and with the people generally and their peculiar needs. With a proper introduction and careful watching, such articles as hardware and cutlery, metals and manufactures of metals, machinery of all kinds, agricultural implements and tools, railway supplies, firearms, motor cars and cycles, glass and glassware, paints, and paper and pasteboard ought to find a market. Cotton piece goods, twist, and yarn make up about one-third of the entire value of the imports into the district, but instead of the United States having a share in this, about \$250,000 worth of Indian-made cotton goods is exported annually to the Philippine Islands.

BURMA.

REVIEW OF TRADE CONDITIONS.

By CONSUL ERNEST A. WAKEFIELD, RANGOON.

The entire sea-borne trade of Burma for the fiscal year ended March 31, 1909, aggregated \$187,001,106, against \$206,197,131 for the preceding year. This includes government transactions, in which the decline from the preceding year was \$11,787,804. The total coasting trade for 1907-8 was valued at \$88,464,006 and for 1908-9, \$90,579,308, an increase of \$2,115,302, thus maintaining the progress which has marked the Burmese coasting trade for a number of years.

Omitting treasure transactions, the improvement in the coasting trade would be more marked, as there was a net decline in exports and imports of treasure amounting to \$3,672,038, which is included in the figures in the coasting trade. The increase in the coasting trade is to

be found in the exports of Indian produce, principally rice, which rose from \$47,206,379 in 1907-8 to \$55,562,411 in 1908-9, an increase of \$8,356,032. To offset this in the total coasting trade the coasting imports declined \$2,344,375.

Trade in merchandise, not including government transactions or treasure, for the two years was as follows:

Imports and exports.	Foreign trade.		Coasting trade.	
	1907-8.	1908-9.	1907-8.	1908-9.
Imports.....	\$36,172,229	\$42,600,227	\$31,376,562	\$29,032,187
Exports.....	57,678,039	41,944,510	50,687,161	58,818,919

Notwithstanding the financial depression, foreign imports show an increase of \$6,427,998, while foreign exports show a falling off of \$15,733,529. The increased foreign imports indicate the steady substantial progress of the province even under unfavorable business conditions. The exports to other portions of the Indian Empire show the extent to which India is dependent upon Burma for food supplies. Taking business conditions into consideration, the year's trade was very satisfactory.

SHARE OF THE TRADE BY COUNTRIES.

The imports of foreign merchandise into and exports of domestic produce (exclusive of government transactions and treasure) from Burma for the fiscal years ended March 31, 1907 and 1908, by countries, were as follows, these being the latest statistics available:

Country.	Imports.		Exports.	
	1906-7.	1907-8.	1906-7.	1907-8.
United States.....	\$624,675	\$2,850,421	\$566,209	\$150,112
Austria-Hungary.....	432,663	510,312	3,966,184	4,992,549
Belgium.....	891,512	1,200,595	928,466	1,570,306
Ceylon.....	33,986	25,125	1,016,320	940,138
Egypt.....	43,013	63,691	2,519,579	2,146,705
France.....	624,356	862,968	493,019	770,823
Germany.....	1,609,194	1,623,541	9,463,719	10,970,540
Italy.....	115,781	167,625	452,424	540,857
Japan.....	1,491,707	2,028,108	4,053,307	4,278,862
Java.....	776,662	1,176,847	579,223	2,154,228
Netherlands.....	1,268,019	1,177,366	4,403,260	5,485,935
Straits Settlements.....	2,541,080	3,119,850	7,909,507	8,770,449
United Kingdom.....	18,833,388	20,124,833	7,487,219	8,815,052
All other countries.....	792,727	1,240,947	5,235,481	6,091,483
Total.....	30,378,763	36,172,229	49,073,917	57,678,039

IMPORTS AND EXPORTS BY ARTICLES.

Of the imports into Burma, cotton goods take the lead, with a value of \$9,035,747 in 1907-8 and \$8,910,230 in 1906-7. Iron and steel and their manufactures rank second, with values of \$6,177,639 and \$5,087,581, followed by silk and silk goods worth \$2,297,553 and \$1,764,628, respectively, for the two years.

The imports, by principal articles, for the fiscal years 1906-7 and 1907-8, respectively, are shown in the following table:

Articles.	1906-7.	1907-8.	Articles.	1906-7.	1907-8.
Animals, live.....	\$44,735	\$62,621	Jewelry.....	\$75,236	\$20,814
Apparel, etc.....	245,750	241,456	Leather, manufactures of:		
Breadstuffs:			Boots and shoes.....	253,096	313,859
Biscuits.....	304,757	340,552	Saddlery and harness..	25,647	20,680
Other.....	228,264	380,271	Other.....	84,166	77,616
Carriages, carts, etc..	215,929	230,688	Matches.....	424,140	425,166
Cement.....	171,616	195,077	Oils:		
Chemicals, drugs, etc.	801,962	1,036,203	Kerosene.....	300,703	406,504
Coal and coke.....	51,962	182,826	Vegetable.....	69,366	36,537
Coffee.....	35,670	32,884	Paints, colors, etc..	224,352	223,461
Copper, manufactures of.	48,495	74,795	Paper, and manufactures of.	377,645	422,207
Cotton, manufactures of:			Pitch, tar, etc.....	72,124	62,125
Hosiery.....	255,280	420,240	Provisions:		
Piece goods—			Dairy products—		
Colored.....	4,445,197	4,201,063	Butter.....	66,126	65,018
Gray.....	540,766	451,345	Cheese.....	19,684	22,884
White.....	1,995,268	2,571,155	Milk, condensed..	327,806	377,455
Thread.....	185,235	197,397	Meat products—		
Twist and yarn.....	1,064,872	692,469	Bacon and hams..	35,819	44,342
Other.....	423,612	502,048	Lard.....	25,663	27,199
Earthenware, etc.....	289,581	296,821	Tallow.....	63,153	97,974
Electrical apparatus, etc.	261,838	224,721	Other.....	219,307	267,941
Fish.....	718,381	887,189	Seeds.....	37,672	35,924
Flax and jute, manufactures of.	69,776	102,540	Silk, and manufactures of:		
Fruits and nuts.....	134,787	167,206	Raw.....	336,176	567,746
Glass and glassware.....	228,681	209,918	Piece goods, etc..	1,428,452	1,729,807
Haberdashery, etc.....	512,658	617,570	Spices.....	206,488	237,614
Iron and steel, manufactures of:			Spirits, wine, etc.:		
Cast.....	34,775	54,237	Ale, beer, etc.....	518,362	584,924
Cutlery.....	59,183	70,136	Wine.....	78,095	85,556
Girders, etc.....	411,792	209,671	Spirits.....	504,060	591,892
Hardware, etc.....	28,877	41,764	Sugar.....	1,013,515	1,302,708
Ironware, enameled..	175,812	184,063	Tea.....	64,376	80,705
Machinery and mill-work.	1,348,189	1,155,418	Umbrellas, etc.....	344,778	359,391
Nails, screws, etc..	153,702	248,161	Wool, manufactures of:		
Pipes and tubes.....	548,911	373,001	Carpets and rugs.....	162,260	145,392
Plates, sheets, etc..	722,842	1,060,137	Hosiery.....	47,507	62,756
Rods, bolts, bars, etc.	249,254	339,216	Piece goods.....	800,140	1,367,243
Sewing machines.....	64,964	64,746	Shawls.....	100,992	70,062
Tools, etc.....	106,087	135,483	Other.....	43,546	54,111
Typewriters.....	13,734	17,648	All other articles.....	3,664,656	5,487,902
Other.....	1,167,459	2,133,938	Total.....	30,378,763	36,172,229

About 79 per cent of the Indian merchandise shipped to foreign countries consists of rice, which showed a value of \$45,571,473, an increase of \$7,182,318 over 1906-7. The articles of export and their values in 1906-7 and in 1907-8 were as follows:

Articles.	1906-7.	1907-8.	Articles.	1906-7.	1907-8.
Candles.....	\$447,033	\$486,121	Teakwood.....	\$1,911,492	\$1,931,384
Cotton.....	915,218	949,403	Tobacco, and manufactures of.	472,932	366,060
Dress (cutch), etc..	503,324	460,325	Wax, paraffin.....	310,967	546,080
Hides and skins.....	1,749,962	1,224,041	All other articles.....	2,101,401	2,591,017
Jade stone.....	259,935	319,089	Total.....	49,073,917	57,678,039
Pulse.....	490,396	458,398			
Rice.....	38,389,155	45,571,473			
Rice bran.....	1,532,112	2,774,048			

TRADE WITH THE UNITED STATES.

The imports into Burma from the United States advanced from \$924,675 in 1906-7 to \$2,850,421 in 1907-8. The greatest increase was in steel, which rose in value from \$4,776 to \$1,759,661. Kerosene oil also showed an increase amounting to \$106,213.

The value of the leading articles imported from the United States during 1906-7 and 1907-8 is shown in the following table:

Articles.	1906-7.	1907-8.	Articles.	1906-7.	1907-8.
Boots and shoes.....	\$8,054	\$5,417	Oils:		
Clocks and watches.....	27,562	18,993	Kerosene.....	\$289,951	\$396,164
Cordage and rope.....	12,303	23,053	Lubricating.....	14,313	23,328
Drugs and medicines.....	17,148	19,555	Piece goods, cotton.....	6,024	3,499
Electrical apparatus and supplies.....	82,344	43,925	Provisions.....	12,272	20,466
Iron and steel, and manufactures of:			Spirits.....	12,727	15,328
Cutlery.....	724	5,237	Tobacco, and manufactures of.	51,422	44,980
Hardware, etc.....	43,617	52,520	All other articles.....	65,200	75,745
Implements and tools.....	30,451	69,178			
Iron.....	176,575	211,340	Total.....	924,675	2,850,421
Machinery, etc.....	62,480	61,274			
Sewing machines.....	6,732	758			
Steel.....	4,776	1,759,661			

The exports from Burma to the United States in 1907-8 were valued at \$145,300, against \$574,850 in 1906-7. The principal articles in 1907-8 were hides, worth \$90,000; wax, \$36,800; and cutch, \$18,500. There was a decrease in the shipments of hides amounting to \$445,000, while cutch showed an advance of \$10,100 and wax of \$14,300.

The principal articles of import from the United Kingdom consisted of cotton goods, valued at \$6,282,422; machinery and millwork, \$5,538,009; iron and steel, \$2,269,256; foods and articles of drink, \$1,725,984; and woolen goods, \$1,077,499. Germany's chief sales were provisions to the value of \$127,896; metals and their manufactures, \$297,966; cotton goods, \$154,310; woolen articles, \$370,294; and apparel, etc., \$81,455. Japan sent silk piece goods valued at \$1,580,301.

CULTIVATION OF RICE AND COTTON.

Burma is a rice-growing country. With a total area under cultivation of 12,000,000 acres, rice is grown on 8,000,000 acres.

The rice available for export for the 1908-9 season is estimated at 2,600,000 tons, as compared with 2,430,000 tons in the previous year. The greatest amount previously exported was 1,900,000 tons, in 1900. It is not only as an article of export that rice is important, but it forms the staple diet throughout the province. Consequently the prosperity of Burma depends to a great extent upon the rice crop and its market price.

The methods employed in cultivation are usually primitive, having remained practically unchanged for many years, but in preparing the rice for the market the rice mills at Rangoon and other ports are thoroughly modern in equipment and operation.

Rice from the fields, or "paddy," as it is universally called, sells at from 100 rupees (\$32.44) to 110 rupees (\$35.68) per 100 baskets. The baskets vary slightly in size in different localities, but the generally accepted size contains 46 pounds. Cleaned rice is worth about \$25 per ton in Rangoon.

Cotton is grown in some sections, but with indifferent success. Whether this is due to climate and soil or to lack of scientific cultivation is an unsettled question. The area under cultivation at

present is 190,000 acres, with an estimated crop of 39,000 bales (400 pounds per bale), being about 10,000 bales more than last year's product. Ninety per cent of the cotton is exported to India and China, as there are no cotton manufacturing plants in Burma. Formerly all the cotton used in Burma was locally grown and manufactured by the women at their homes. Now nearly all the cotton goods are imported, principally from the United Kingdom.

As rice growing requires less labor and is more profitable, only such land as is unfit for rice is used for cotton planting. Consequently it is not probable that the near future will see much improvement in the cotton crop of Burma in either quantity or quality.

TOBACCO, GRAIN, PULSE, TEAK, AND CUTCH.

Tobacco is extensively grown, but that produced is inferior in quality to that grown in the Philippines, Java, or Sumatra. The total area under cultivation is 63,070 acres, and the crop is nearly all consumed locally.

The exports of tobacco during 1907-8 amounted to 7,460,000 pounds of unmanufactured and 565,000 pounds of manufactured, valued at \$180,000 and \$190,000, respectively. Practically all the tobacco exported went to the Straits Settlements, Siam, and Hong-kong.

Grain and pulse (beans, peas, and lentils) are grown for local use, and small quantities are exported, amounting in 1907-8 to \$490,000, of which \$470,000 was pulse. Imports of wheat, flour, and farinaceous foods during the same period amounted to over \$660,000. Maize, or Indian corn, is also grown.

As rice is to other agricultural products of Burma, so is teak to other forest products. Most of the teak forests are now in the hands of the Government, and all cutting on both public and private lands is under the direct supervision of forest department officials. Reserves of teak have been created in several localities, and the policy of the Government appears to favor a steady increase in reservations.

Teak exports are principally to the United Kingdom, although nearly all European countries, Asia, Africa, and the United States figure in the list to which teak is exported. The exports for 1905-6 were 50,431 tons, valued at \$2,212,000; 1906-7, 41,470 tons, valued at \$1,911,492; and for 1907-8, 38,342 tons, valued at \$1,931,384. The exports of all other timber during the same three-year period amounted in the aggregate to only \$26,000.

The importance of cutch as an export has been steadily decreasing in recent years, owing to adulteration and to the use of aniline substitutes. The industry is now on a better footing with little or no adulteration and under government supervision. Cutch is used principally for dyeing and preserving fish nets and sails.

In 1903-4 the exports of cutch amounted to 109,850 hundred-weight, valued at \$620,000, while in 1907-8 the amount exported was 90,350 hundredweight, valued at \$460,325. Sixty per cent of the cutch exported is taken by the United Kingdom.

Besides teak and cutch there is a flourishing trade in what are known as "jungle woods" or unreserved woods. This trade is mainly in the hands of the Burmese, and the product is for the local

market. Padouk and refuse teak is used in making cart wheels, while bamboo is universally used for making native huts, ladders, staging, and canes.

MINES AND MINERALS.

The ruby mines in upper Burma are the most important of all in Burma. The annual output usually reaches nearly \$500,000, giving employment to 2,200 men. During 1907-8 the exports of rubies showed a falling off from previous years, amounting to only \$2,200, against nearly \$300,000 for 1906-7.

Jade stone is mined on an extensive scale, nearly the whole product being exported to China. The exports for 1907-8 exceeded 3,000 hundredweight, valued at \$319,089.

Lead mining in upper Burma is expected to become a feature of industrial activity. Smelters have been completed at Mandalay and are now in operation. The mines are a few miles out from Mandalay, with ore of excellent quality in sight. This enterprise is the first of its kind in Burma, and as considerable quantities of ore have been discovered in various sections of the province it is creating much interest throughout India.

Gold-dredging operations on the upper Irrawaddy produce \$75,000 annually, with the output increasing. Silver, copper, iron, zinc, and antimony are found in the northern part of the province and tin in the southern part.

INCREASED OUTPUT OF OIL.

Oil is found in several places in Burma, but the principal field is at Yenangyaung, Upper Burma. The total yield in 1907-8 was 149,000,000 gallons, valued at \$3,000,000, while the previous year's yield was 137,000,000 gallons, valued at \$2,800,000.

The Burma Oil Company has two large refineries, but the quality of refined oil is inferior to that of the high-grade American oils, and the fields are less productive. Last year's exports of oil products were as follows: Mineral oils, 5,640,000 gallons, valued at \$177,300; paraffin wax, 74,205 hundredweight, valued at \$546,680; and candles, 5,307,512 pounds, valued at \$486,121.

American operators are employed and American machinery is used quite extensively in the oil regions. The Burma Oil Company has laid a number of branch pipe lines centering at Yenangyaung to be connected with a main line to Rangoon. This main line did not at first work satisfactorily, but improvements have been made which are expected to result in the use of the pipe line for transferring the crude oil to the refineries at Rangoon.

The Burma Oil Company has a fleet of tank steamers with storage tanks at a number of Indian ports.

Large numbers of candles are manufactured for the local use and for export to China, Indo-China, Australia, Portuguese East Africa, Straits Settlements, Siam, Philippine Islands, and various other countries. Paraffin wax is also manufactured and exported to nearly all parts of the world.

WOOD AND IVORY CARVING—TRANSPORTATION.

Wood and ivory carving is a distinctive Burmese industry at which the natives are remarkably proficient. Until quite recently this industry was conducted on the individual product basis, each carver selling his work directly or through members of his family. There are now several shops selling wood and ivory carvings which employ a number of carvers at fixed wages. The ivory carvings are extremely beautiful and bring good prices. Some silver and brass work of unique design is made by Burmese workmen, but the demand for this class of work is limited.

The Burma Railway Company connects Rangoon with Moulmein at the southern extremity of the line, Lashio and Myitkyina on the north, and Henzada, Prome, and Bassein on the west. The railway service is good and complete, considering the extent of territory covered and the population served.

The railway is modeled on the English system, with first, second, and third class carriages. New lines or branches are projected that will eventually cover Burma thoroughly. The total system is 1,475 miles in length.

The British India Steam Navigation Company furnishes ready communication with principal Indian ports, Penang and the Straits Settlements, connecting with various lines at these places. The Bibby and Henderson boats ply between Liverpool and Rangoon direct, carrying both freight and passengers. The Hansa line plies between Hamburg, Antwerp, and Rangoon.

All lines to India and the Far East quote freight and passenger rates, connection being usually by the British India Steam Navigation Company.

RANGOON.

By CONSUL ERNEST A. WAKEFIELD.

For customs purposes Burma is divided into several districts with Rangoon as the chief port and subordinate ports at Akyab, Bassein, Kyankpyu, Mergui, Moulmein, Sandoway, Tavoy, and Victoria Point.

The foreign imports at subordinate ports are quite insignificant compared with the total imports of the province. In the last five years the total foreign imports at all these subordinate ports varied from \$500,000 to \$900,000, while the foreign imports at Rangoon during the same period were valued in round numbers at \$27,000,000 to \$43,000,000.

The articles of import into and export from Rangoon during the calendar years 1907 and 1908 were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
IMPORTS.			IMPORTS—continued.		
Apparel, etc.....	\$1, 130, 601	\$1, 443, 060	Iron and steel, manufactures of:		
Building material.....	349, 250	406, 988	Cutlery, hardware, implements, etc....	\$696, 838	\$1, 487, 133
Chemicals, drugs, etc.....	388, 811	361, 008	Machinery.....	823, 450	1, 587, 629
Cotton, manufactures of:			Railway material.....	1, 186, 750	1, 364, 941
Piece goods.....	6, 289, 824	8, 756, 145	Matches.....	381, 348	335, 754
Twist and yarn.....	618, 753	1, 683, 850	Metals, and manufactures of.....	4, 107, 197	4, 775, 505
Other.....	1, 011, 159	1, 621, 701	Oil.....	361, 556	521, 265
Food products.....	3, 748, 007	4, 571, 241			
Glassware, etc.....	478, 119	601, 694			
Instruments, scientific....	309, 256	389, 986			

Articles.	1907.	1908.	Articles.	1907.	1908.
IMPORTS—continued.			EXPORTS.		
Paints.....	\$157, 701	\$177, 106	Candles.....	\$458, 362	\$430, 529
Paper, and manufactures			Caoutchouc.....	99, 119	88, 264
of.....	271, 471	343, 748	Cotton, raw.....	1, 162, 171	818, 184
Ships, parts of.....	258, 764	679, 113	Food products.....	33, 106, 554	28, 522, 042
Silk, and manufactures			Hides and skins.....	1, 407, 051	954, 587
of.....			Jade stone.....	292, 945	357, 201
Raw.....	462, 267	920, 720	Oil.....	45, 275	186, 482
Manufactures.....	1, 343, 630	2, 218, 423	Oil cake, etc.....	2, 190, 306	2, 566, 940
Soap.....	225, 064	302, 490	Peanuts.....	447, 570	524, 029
Tobacco, and manufac-			Tobacco.....	282, 561	130, 654
tures of.....	519, 554	560, 126	Wood, manufactures of:		
Umbrellas.....	264, 516	363, 308	Lumber.....	1, 687, 023	1, 057, 431
Wool, manufactures of.....	1, 425, 126	2, 310, 085	Other.....	9, 344	9, 104
All other articles.....	4, 096, 263	9, 793, 587	All other articles.....	2, 228, 011	1, 719, 300
Total.....	31, 308, 273	42, 804, 905	Total.....	43, 411, 292	37, 823, 756

OPPORTUNITY FOR INCREASING AMERICAN TRADE.

While imports from the United States are increasing, they should occupy a more prominent place in the local market. Burma appears to be entering upon a period of great activity in the development of natural resources that will require the investment of large sums in machinery, nearly all of which will be imported.

This is particularly true with regard to the further development of the oil fields and mines. If the United States is to secure a reasonable share of trade in connection with these industries, experienced men should be sent here to make a thorough study of the commercial conditions. In both the oil fields and mines Americans are prominently engaged in exploitation and development. This fact alone should be favorable to the sale of American machinery.

American food products, such as canned fruit, vegetables and milk, farinaceous foods, wheat flour, dried fruit, etc., should find a more extensive market here. American wheat flour is largely imported from Hongkong, although recently several shipments have been received directly from the United States.

Hardware, tools, and machinery of American manufacture find a ready sale in Burma, but the trade requires more detailed attention from exporters. Steel for building purposes is now imported from the United Kingdom. As the market is rapidly increasing this should receive the attention of American steel manufacturers.

PURCHASES FROM AND SALES TO THE UNITED STATES.

The imports into Rangoon from the United States, by articles, for the calendar year 1908 are shown in the following table:

Articles.	Value.	Articles.	Value.
Apparel.....	\$8, 760	Iron and steel, and manufactures of:	
Books, etc.....	8, 168	Cutlery, hardware, etc.....	\$153, 226
Carriages and parts.....	1, 851	Engines and parts—	
Chemicals, drugs, etc.....	16, 413	Electrical.....	28, 809
Clocks and watches.....	25, 963	Steam.....	39, 062
Cordage and twine.....	43, 970	Other.....	124, 597
Cotton and woolen goods.....	402	Nails, screws, etc.....	11, 382
Earthen and glass ware.....	2, 740	Pipes and tubes.....	349, 841
Food products.....	39, 549	Sheets, galvanized.....	32, 801
Furniture, etc.....	7, 339	Steel articles, n. e. s.....	648, 458
Instruments, scientific.....	19, 272	Typewriters.....	6, 315

Articles.	Value.	Articles.	Value.
Iron and steel, and manufactures of—		Paints and colors.....	\$2,336
Continued.		Paper, and manufactures of.....	4,766
Wire.....	\$91,250	Perfumery.....	6,479
Other.....	7,360	Soap.....	6,026
Leather, manufactures of:		Spirits, wine, etc.....	15,837
Boots and shoes.....	5,728	Tobacco, manufactures of.....	27,713
Other.....	2,064	All other articles.....	15,504
Oil, kerosene and lubricating.....	\$66,204	Total.....	2,266,621
Oilcloth.....	7,396		

The declared exports from Rangoon to the United States during the calendar year 1908 were valued at \$180,333. The leading items were: Hides, worth \$101,854; candles, \$47,111; wax, \$13,298; teak-wood lumber, \$10,791; and cutch, \$5,243.

BRITISH NORTH BORNEO.

REVIEW OF TRADE CONDITIONS.

By CONSUL ORLANDO H. BAKER, SANDAKAN.

British North Borneo is owned and governed by an incorporated company under a charter from the British Government. It is bounded on the south by Dutch Borneo and Saranak, and on the other three sides by the Pacific Ocean. The colony has an area of about 31,000 square miles and contains from 150,000 to 180,000 inhabitants. Most of the people are of a wild nature and live on fruit, fish, birds, and rice. They reside in villages near the banks of rivers or the seacoast, leaving the vast interior uninhabited and undisturbed. The rivers are their highways. Borneo is practically without roads. Footpaths are cut in places through the jungle from one river to another in which the natives travel single file.

Like the inhabitants of other Pacific islands, they weave grasses and the bark of trees into mats, baskets, and a kind of cloth. They are fond of bright-colored ornamental trinkets. Their weapons are long knives, spears, and blowguns with poisoned arrows. For agriculture they use heavy hoes, sometimes a sort of wooden plow drawn by a carabao to break up the ground for patches of rice and vegetable gardens. These facts are mentioned to show the probable demand for the goods of civilized countries.

The chief production of British North Borneo is tobacco. There are 10 estates producing it. The crop in 1908 amounted to 17,564 bales, or 3,231,776 pounds, valued at \$1,550,311, gold. The natives and Chinese added to this 637 pounds. This tobacco is used principally for cigar wrappers.

There are seven india rubber estates, but only one producing. The trees should be from five to seven years old before tapping, and most of the plants are young. The total amount produced (the greater part by natives from the jungle) in 1908 was 86,245 pounds, valued at \$37,485. This was 60 per cent less than the amount produced in 1907. It is said that all jungle or wild products become scarcer every year.

THE FOREIGN TRADE.

The total foreign trade of the colony, treasure excluded, for 1908 was \$3,882,364, an increase of \$42,176 over the previous year. The imports amounted to \$1,417,588, a decrease of \$77,550, and the exports to \$2,464,776, an increase of \$119,726 as compared with 1907.

The imports into and exports from North Borneo during the years 1907 and 1908 are shown in the following comparative statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
IMPORTS.			EXPORTS.		
Aerated water.....	\$21,796	\$15,128	Animals, live.....	\$4,862	\$7,354
Arms and ammunition....	2,860	3,278	Beeswax.....	6,794	2,658
Brass ware.....	6,484	7,556	Birds' nests.....	35,915	34,963
Building material.....	9,330	11,197	Chemicals, dyes, etc.:..		
Cloth.....	229,014	188,174	Barks, roots, etc.....	10,305	6,231
Dammar.....	11,060	8,946	Camphor.....	17,822	18,272
Fish, dried.....	5,659	2,412	Cutch.....	94,968	97,174
Earthen and glass ware ..	15,725	14,556	Gambier.....	5,612	4,458
Fruits and nuts.....	11,922	9,300	Opium.....	983	301
Furniture.....	13,066	10,545	Copra.....	20,254	16,692
Hemp, rope, etc.....	6,271	9,556	Cotton.....	982	899
Hides and leather.....	4,884	4,597	Fish, dried.....	75,860	77,048
Iron and steel, manufac- tures of:			Fruits and nuts.....	16,944	14,220
Ironware.....	62,268	50,278	Gutta-percha, etc.....	66,367	40,661
Machinery, etc.....	26,733	14,751	Hides and skins.....	8,662	7,806
Railway material, etc.	38,125	8,321	Horns.....	2,465	2,578
Instruments, musical.....	3,240	3,047	Ivory.....	348	775
Jewelry.....	5,449	6,828	Machinery, etc.....	2,709	2,333
Matches.....	6,104	6,167	Pepper and chillies.....	2,709	2,547
Oils:			Provisions.....	6,213	9,961
Kerosene.....	34,695	43,174	Rattan.....	60,181	55,701
Other.....	29,771	23,169	Rice.....	16,328	5,102
Opium.....	70,536	79,858	Sago:		
Palms, etc.....	8,797	7,022	Flour.....	61,744	66,271
Perfumery.....	4,223	3,806	Uncleaned.....	4,619	3,407
Provisions.....	117,552	127,635	Sharks' fins.....	4,187	4,091
Rattan.....	6,266	2,906	Shells:		
Rice, flour, etc.....	379,789	396,658	Mixed.....	7,556	6,066
Salt.....	14,849	16,233	Turtle.....	4,965	4,262
Spirits and wine.....	82,655	70,376	Tobacco.....	1,380,791	1,550,311
Stationery.....	15,217	12,762	Trepang.....	8,888	7,324
Sugar.....	40,558	47,584	Turtle eggs, etc.....	1,772	1,133
Tea.....	11,652	12,120	Wood, and manufactures of:		
Tobacco.....	52,287	53,168	Timber.....	254,410	289,746
Yarn and thread.....	12,943	11,709	Unmanufactured.....	8,478	5,508
All other articles.....	133,328	132,771	All other articles.....	150,407	118,923
Total.....	1,496,138	1,417,588	Total.....	2,345,060	2,464,776

The decrease in the imports of aerated water was due to the establishment of a factory in Sandakan for manufacturing ice and soft drinks, and the loss of \$40,840 in the receipts of cloth was occasioned by a surplus imported in 1907. The decrease in imports of ironware, etc., which showed a falling off of more than \$60,000, is accounted for by the completion of railroad construction. The principal articles of import showing increases were sugar, the increase in which was \$7,026; kerosene, \$8,479; opium, \$9,322; provisions, \$10,083; and rice, flour, etc., \$18,869.

The exports declared at Sandakan to the United States and the Philippine Islands during 1908 were valued at \$19,194, and consisted of the following principal articles: Cutch, \$5,145; timber, \$2,984; whisky, \$1,488; launch and fittings, \$2,131; coal, \$1,122; and live buffaloes, \$1,106.

TRANSPORTATION FACILITIES.

The Norddeuther Lloyd Steamship Company runs three steamers, averaging 801 tons each, from Singapore to Sandakan and the Philippine Islands. On the route they touch at the island of Labuan, a coaling station near the west coast of Borneo, Jesselton, and Kudat. Rounding the northern point of the island and sailing southward they enter Sandakan Bay, on the east coast. Two of these boats, after discharging Sandakan cargo and passengers, continue the journey down the east coast to landings called Lahad, Datu, and Tawao. Back of these landings are tobacco and rubber estates. These estates altogether employ 11,202 Chinese and native laborers, and about 60 Europeans. The imports at those landings consist of rice and other supplies for these estates.

The exports consist of jungle products, which are collected from the forests and brought down the rivers principally to Sandakan in oar and sailing boats, and reshipped there on German steamers.

Two of these steamers make monthly trips from Sandakan to and from the Philippine Islands, calling at Jolo, Zamboanga, Cebu, and Iloilo. During a portion of 1908, the Philippine government had a small steamer, 210 tons net, in the inter-island trade, competing with the German line, but, losing money on every trip, withdrew the boat. At present (February 16, 1909) the entire shipping is in the hands of the Germans. Besides these, there are two steamers plying monthly between Sandakan and Hongkong, taking away lumber, the product of two sawmills in Sandakan, and bringing in vegetables, rice, grain, flour, and other goods. Sandakan is 660 miles from Manila, 1,200 miles from Hongkong, and 1,000 miles from Singapore.

CEYLON.

REVIEW OF TRADE CONDITIONS.

By CONSUL WILLIAM C. TEICHMANN, COLOMBO.

Nothing demonstrates more clearly the importance of Ceylon as a trading point than the shipping statistics of its principal port, Colombo. During 1908, 3,005 vessels of 7,525,824 tons entered the port, while the number cleared was 2,992 vessels of 7,544,828 tons, making a total of 15,070,652 tons. In addition, 954 vessels of 488,936 tons entered the other ports of the island during the year.

Compared with the leading ports of the world Colombo ranks seventh, the order being taken from the 1907 statistics as follows: New York, 20,391,000 tons; Antwerp, 19,662,000; Hongkong, 19,333,000; Hamburg, 18,953,000; London, 18,727,000; Liverpool, 17,740,000, and Colombo, 14,544,005.

HARBOR FACILITIES AND NEW REGULATIONS.

There entered the port in 1908, as men of war or transports, 94 vessels, including the American battle-ship fleet of 16 vessels and several auxiliaries. The harbor facilities were demonstrated when these American vessels, together with 3 coaling steamers, were comfortably berthed at the same time without disturbing the regular commercial shipping of the port. For once the American flag was seen in this harbor flying from more than an occasional visiting

man of war. Of the 113 supplemental bills of health issued at this consulate in 1908, four were written for the use of American men of war, but not one for any other American ship.

Two-thirds of the tonnage that entered the port during 1908 represented British-owned vessels. Germany ranked next and France, Japan, Russia, Austria, Spain, Norway, Netherlands, Denmark, and Sweden each exceeded in tonnage of vessels that of those flying the American flag, and the latter were confined to war ships, transports, and private yachts. In other words, \$3,901,937 worth of Ceylon merchandise, invoiced at the American consulate at Colombo in 1908 for export to the United States, or to a limited extent to the Philippine Islands, was carried by ships under foreign control and flag in the absence of an American merchant marine; and this despite the steadily increasing freight and passenger traffic between New York, Philadelphia, and Boston ports at one end and Manila at the other, with considerable trade between these American cities and intermediate Asiatic points.

In connection with possible efforts to establish American shipping to Colombo, recent changes in Colombo harbor dues should be taken into consideration. The government, with the sanction of the secretary of state for the British colonies, has decided to increase the maximum rate of entering dues on steamers from \$38.96 per steamer, if the tonnage exceeds 1,750 tons, to \$47.04 for a vessel of 1,750 to 2,000 tons, and for every additional 250 to 500 tons an extra charge of \$4.87 to \$8.11, so that a steamer of 8,000 to 8,500 tons will have to pay \$194.64 entrance dues. For the purpose of strengthening Colombo's advantages for coaling in comparison with those of other ports no fee will be demanded for tugs, and steamers calling for coal and water only will be charged a consolidated rate of \$48.66 to cover pilotage, entering dues, tugs, and Ceylon government bill of health. These new regulations went into force on January 1, 1909.

Colombo's importation of coal is adequate to its requirements as a great coaling point for steamers, 697,535 tons having been imported in 1908, divided as follows: From the United Kingdom, 266,539 tons; India, 383,269; and other countries, 47,727. A project now assured of execution will aid materially in making Colombo one of the greatest trade centers of India. Railroads are now in course of construction from Bombay and Calcutta, in the north, to the narrow strait separating Ceylon from India, and from Colombo northward toward Manaar on this strait. A ferry service has been determined upon to carry freight and passenger traffic over the strait, and with through cars ultimately added to the system Colombo will have assumed its natural position as the gateway to India from the west.

TRADE CONDITIONS—TEA CROP.

While the effect of the American financial crisis was felt in some quarters, it did not materially weaken the Colombo export business. For instance, the exports of black tea declined from 176,117,016 pounds in 1907 to 174,418,174 pounds in 1908, a loss of only 1,698,842 pounds, and green tea declined only from 5,906,716 to 5,631,147 pounds.

The yield of tea in Ceylon was not so large during the 1908 season as it was in 1907. The increased cultivation of rubber is influencing

the production owing to the interplanting of tea fields with rubber. This fact is offset again by an increase in area of tea planting, as indicated by the continued demand and high prices paid for tea seed.

The quantity of tea offered for sale in 1908 was 85,071,326 pounds, but owing to many withdrawals the sales amounted to only 64,056,601 pounds at an average price of 12.3 cents (American) per pound. In 1907 the amount offered for sale was 78,177,234 pounds, of which 65,212,556 pounds were sold, bringing 13.3 cents per pound. This fall in prices was ascribed to slackness of business and not to poorness of quality or to overproduction. Record prices were paid for the best pannings and dusts in August and September, the better brands being in demand for the brick-tea trade in Russia. In quality the common and medium grades represented the average, but during the year some fine teas appeared in the market, bringing good prices. During the last six months of the year the highest price paid in Colombo was 12.8 cents and the lowest 11.03 cents. The largest quantity of tea sold by one estate during the year was 750,000 pounds, at an average price of 13.38 cents per pound.

While there was a decrease in exports of green tea, direct sales to the United States increased considerably as compared with 1907, that country being the largest consumer of green teas. The direct shipments to the United States in 1908 amounted to 794,964 pounds, representing less than one-seventh of the total quantity of tea from Ceylon, as 5,093,274 pounds of black tea from Ceylon entered the American market, the total of both varieties amounting to 5,888,238 pounds. The value of this tea invoiced at the American consulate at Colombo was \$1,109,168, against \$1,068,198 worth in 1907 and \$852,479 in 1906.

It is estimated that Ceylon's 1909 tea crop will be distributed, in pounds, as follows: United Kingdom, 107,500,000; Australia 23,000,000; Russia, 21,000,000; United States, 16,000,000; China and Straits Settlements, 8,000,000; India, 2,000,000; and all other countries, 4,500,000.

CULTIVATION OF RUBBER.

The most sanguine expectations regarding the future of rubber prevail in Ceylon. The facts that production has increased elsewhere, and that an artificial product may establish itself in the future are disregarded here, and the successful economic manufacture of synthetic rubber is not feared. In a measure tea has been supplanted by rubber on quite a number of estates, although others have concluded to take up the cultivation of tea anew. The total shipments of rubber in 1907 amounted to 556,080 pounds and in 1908 to 912,125 pounds. A better quality of the "crêpe" form is now produced, it being given a more even color as most desired by the trade. Until recently "biscuit" and "sheet" were most in favor with the planters, but now they prefer to make "white crêpe," which brings higher prices. Good "biscuit" and "sheet" sold for 80.84 cents to \$1.26½ per pound during the last six months of the year. There were 2,497 hundredweight exported to the United States in 1908, valued at \$304,730, against \$208,080 in 1907 and \$107,437 in 1906. The rubber exported in 1908 to the United Kingdom from Ceylon was valued at \$728,588. All rubber was eagerly taken up by local buyers, and an increased production in Ceylon may be expected.

PRINCIPAL IMPORTS.

The following statement shows the quantity of the several products imported into Ceylon during 1908:

Articles.	Quantity.	Articles.	Quantity.
Coal:		Tin boxes:	
United Kingdom..... tons..	266, 539	Japan..... number..	1, 347, 191
India..... do.....	393, 269	Other countries..... do.....	616, 906
Other countries..... do.....	47, 727		
Total..... do.....	697, 535	Kerosene oil:	
Cotton piece goods:		Bulk..... gallons..	3, 225, 091
United Kingdom..... bales..	2, 933	Cases..... do.....	652, 482
Do..... packages..	10, 974	Total..... do.....	3, 877, 573
Other countries..... bales..	1, 722	Oil liquid fuel..... do.....	1, 939, 359
Do..... packages..	6, 186	Wines and spirits..... do.....	294, 101
Iron:		Timber:	
Hoop..... hundredweight..	25, 527	Teak..... tons..	5, 595
Corrugated..... do.....	31, 549	Other..... do.....	774
Nails and rivets..... do.....	14, 018	Lamps, crockery, and hardware,	
Total..... do.....	71, 094	value.....	\$443, 000
Manure:		Matches..... cases..	6, 003
United Kingdom..... do.....	65, 167	Cement..... barrels..	64, 624
India..... do.....	725, 423	Umbrellas..... cases..	1, 266
Continent..... do.....	175, 924	Sugar:	
		China..... hundredweight..	80, 299
		Other countries..... do.....	165, 222
		Tin, lead..... tons..	1, 596

TRADE WITH THE UNITED STATES.

Tea represented the greatest value of all articles exported to the United States during 1908. Coconut oil took second place with a value of \$995,143, against \$604,082 in 1907 and \$666,366 in 1906. The local price of coconut oil was \$118.42 per ton f. o. b. in July and \$133.08 in December. Large shipments from Java, Singapore, Philippine Islands, etc., lowered the price of coconut oil until the stocks in Europe were used, which caused a rise in the prices for both nuts and copra.

Citronella oil found a good sale in the United States, the exports being valued at \$124,528 in 1908, against \$112,686 in 1907. The total exports of this oil amounted to 1,390,602 pounds, of which the United States took 542,653 pounds.

In desiccated cocoanuts 38,567 hundredweight, valued at \$254,134, were shipped to the United States in 1908. The failure of rains during the year will result in a short crop in 1909, and prices are expected to rise correspondingly.

The commodity chiefly affected by the financial crisis of 1907-8 was plumbago, so far as the exports to America were concerned. From the figures of \$1,534,654 in 1907 the value of this article shipped to the United States fell to \$857,377 in 1908. The improvement in industrial conditions in the United States during the latter half of 1908 resulted in gains in the exports of plumbago to that country and a corresponding rise in prices from the low level to which the market had dropped during the first four months that year. However, competition from other Asiatic sources is arousing some fears in Colombo.

The declared value of the exports from Colombo to the United States in 1908 was \$3,901,937, a decrease of \$274,112 from that of 1907. The value of the exports, by articles, was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cardamoms.....	\$2,848	\$4,469	Plumbago.....	\$1,534,654	\$857,377
Cinnamon.....	63,796	77,028	Precious stones.....	35,588	7,964
Cocoa.....	87,888	54,042	Rubber.....	206,060	304,730
Cocoanuts, desiccated.....	238,231	254,134	Seeds, rubber.....	2,625	3,263
Fibers:			Tea.....	1,068,198	1,109,168
Coi.....		3,816	Tea fluff and waste.....	20,713	33,780
Mattress.....	28,210	2,053	Yarn, coi.....	16,677	21,120
Laces.....	1,700	26,564	All other articles.....	150,073	22,758
Oils:			Total.....	4,176,049	3,901,937
Citronella.....	112,686	124,528			
Cocoanut.....	604,082	985,143			

HOW TO SECURE TRADE.

Many freight ships which go to American ports loaded with Asiatic commodities generally return only with small cargoes or with consignments of petroleum accepted at low rates to take the place of ballast. A systematic utilization of these traffic opportunities should contribute somewhat to the conquest of Asiatic markets, especially that of Colombo.

American manufacturing interests should establish agencies at Colombo and equip them with financial resources and judicious literature. Instead of expecting immediate results they should remember that in the Orient only by patient and untiring effort can the white and native business man be persuaded to change from the old conservative habit of buying from sources which have no live competition. The remarkable success of the German drummer in the oriental markets is proof that systematic activity in this direction must eventually bring good returns.

In spite of opposition American petroleum interests have gained a foothold in Ceylon, as well as other Indian points, through their well-managed and finely equipped agencies, resulting in 1908 in imports at Colombo valued at \$133,701, and it is not one year since this agency was established.

American hardware, machinery, canned goods, food supplies, tinned milk, typewriters, paper, low-cut canvas shoes for the tropical climate, nails, cast steel, drugs, flannels, dyed cotton piece goods, biscuits, lamps, electric appliances, automobiles, drills, and various articles useful in the Tropics would find more or less of a market, but only by persistent local drumming. Long credits are much favored here and are a strong card of the German seller. A few syndicated agencies with a ready stock of goods on hand could accomplish considerable in developing trade.

FEDERATED MALAY STATES.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL GEORGE E. CHAMBERLIN, SINGAPORE.

The total volume of trade of the Federated Malay States for 1908, excluding bullion and specie, amounted to \$64,508,256. Of this total trade, imports were valued at \$27,313,094, and exports at \$37,195,162.

The distribution of trade among the several States was as follows:

State.	Imports.	Exports.	Total.
Perak.....	\$12,260,855	\$19,896,627	\$31,457,482
Selangor.....	11,797,625	12,868,199	24,665,824
Negri Sembilan.....	2,294,392	3,493,353	5,787,745
Pahang.....	960,022	1,606,983	2,567,205
Total.....	27,313,094	37,195,162	64,508,256

The trade of the Federated Malay States for the year under review shows the result of the universal trade depression, and directly to the low price of tin, which is the chief product of this country, is due the principal decrease in trade.

Imports showed a decrease as compared with the previous year of \$2,478,376. Live animals, food, drinks, and narcotics were responsible for \$1,419,229 of this decrease, and manufactured articles for the balance; textiles alone showed a decrease of over \$700,000. The exports showed a decrease of \$8,501,180 as compared with 1907, tin being responsible for nearly \$8,000,000 of this loss. Paddy was exported to the extent of \$290,420; tapioca, \$453,535; pepper, \$63,645; sugar, \$419,200; rubber, \$2,584,400; gold, \$262,447; and tin, \$31,664,818.

SHIPPING AND MINING.

The two leading ports of the Federated Malay States, Port Swettenham and Port Dickson, showed a substantial increase in shipping. At Port Swettenham there arrived during 1908, exclusive of native craft, 1,133 steam vessels of 819,483 registered tonnage, an increase of 276,967 tons over 1907. At Port Dickson the number of vessels entering was 675 of 254,999 tons, an increase of 55,000 tons. The tonnage of the other ports of the Federation, Telok Anson and Kuantan, amounted to 139,227 and 26,419, respectively, thus making the total tonnage of the four ports of the Federated Malay States 1,333,639 tons.

The year was not a prosperous one for the mining industry owing to the low prices for tin prevailing. According to the report of the senior warden of mines, the total tin output for 1908 was 50,837 tons of 2,240 pounds, an increase of 2,406 tons over 1907. In 1908 the average price of tin was \$634.37 per ton as compared with \$796.66 in 1907, which accounts for the decrease in value of the output of the mines. Of the four States, Perak produced 54.8 per cent of the total output, Selangor 33.1 per cent, Negri Sembilan 7.5 per cent, and Pahang 4.6 per cent.

The labor force engaged in the tin mines decreased from 231,368 in 1907 to 195,081 in 1908, although the output increased. This was due to an improvement in the method of working which has been brought about by the installation of modern mining machinery. In 1907 the average output for each laborer was 468 pounds of tin, while in 1908 it was 574 pounds. With the exception of 8,000 Indians and Japanese, all the laborers employed in mines were Chinese. The area of land devoted to mining purposes is 283,057 acres.

There is but one gold mine of importance in the Federated Malay States, which is owned by the Raub Australian Gold Mining Company, and which during the year had an output of 14,653 ounces of gold from 77,257 tons of ore crushed.

AGRICULTURAL ACREAGE—CULTIVATION OF RUBBER.

The agricultural acreage of the Federated Malay States at the end of 1908 was something over 319,722 acres, divided among the several States as follows: Perak, 131,830 acres; Selangor, 111,710; Negri Sembilan, 58,718; and Pahang, 17,464. This acreage, which excludes paddy lands and those devoted to horticulture, is planted with the following staple products: Cocoanuts, 118,697 acres; rubber, 168,048; coffee, 8,431; and in other crops, chiefly tapioca, 24,546.

The acreage under cocoanuts increased during the year by 6,137 acres; rubber, 41,813; and other products, 12,411 acres; while the acreage under coffee was reduced by 2,402 acres.

The director of agriculture gives the number of rubber estates in the Federation as 300 and their acreage as 455,596, with 168,048 acres actually planted with rubber, and the number of trees as 26,165,310, with an output in 1908 of 1,425 tons of dry rubber against 885 tons in 1907. The price of rubber varied from 75 cents per pound at the first of the year to \$1.35 at the close, with an average of about \$1 per pound, and the cost of production is estimated at about 36 cents per pound. Thus the margin of profit to the planter was satisfactory. The average output per tree, estimated on the number of trees actually tapped, was 1 pound and 15½ ounces. This is considered a satisfactory yield considering the fact that most of the trees that were tapped were in their first year. In the State of Negri Sembilan, where the trees are older, the average was 3 pounds and 2½ ounces per tree. The total number of laborers employed on rubber estates is about 57,000, principally Tamils.

The director of agriculture states that Malaya possesses the finest climate in the world for the rapid and healthy growth of Para rubber, and, since millions of acres suitable for the cultivation are still available, there is every probability that this country will be in the future one of the largest producers of rubber in the world.

COCOANUTS, COFFEE, AND TAPIOCA—RESERVED FORESTS.

About two-thirds of the area, 118,697 acres, under cocoanuts is estimated to be in bearing, and the value of the whole is said by the inspector of coconut plantations to be about \$13,041,000. The amount of copra exported in 1908 was 4,812 tons. The copra produced on the European-owned estates was of good quality and obtained high prices, but the copra from native holdings is very inferior owing to the lax method of collecting and treating the nuts.

While the cultivation of coffee at the present prices leaves a profit, the larger returns expected from rubber and cocoanuts have had a tendency to curtail its production, and it is doubtful if there will be any material increase in the output of this product for some time to come.

Owing to the low prices prevailing during the year the cultivation of tapioca was discouraged, and it is alleged that in some instances the cultivators did not think it worth while to harvest the crop.

The extent of the reserved forests in the Federated Malay States is 682 square miles (436,710 acres). It is intended to increase this area largely, but difficulty has been experienced in obtaining the services of surveyors. It is expected that it will be increased by some 135,000 acres during 1909.

PUBLIC WORKS AND RAILWAYS.

The total expenditure on public works in 1908 amounted to \$4,477,155. Of this amount \$2,579,111 was spent on roads, streets, and bridges, and the balance on other works and buildings.

During 1908 the roads of the Federated Malay States were improved by the construction of 123½ miles of metaled (macadamized) cart roads, thus making the total length of metaled roads in the country 1,791 miles. In addition to this there are 245 miles of unmetaled roads and 1,402 miles of bridle paths. About \$160,000 was spent on bridges.

The railway mileage open to traffic in the Federated Malay States at the end of 1908 was 542 miles. This includes 73 miles of sidings. The road is owned and operated by the Government, and the amount of the capital account at the end of the year was \$25,799,115. The net profit on the capital invested was 3.4 per cent.

A motor service is maintained at certain points in connection with the railway. There are 36 motors in use for passenger service and 6 lorries for freight. The mileage run by these motors in 1908 was 259,178 miles, and the number of passengers carried was 202,549.

The number of telegraph offices at the close of the year was 107, and the length of telegraph, telephone, and other wires 1,280 miles. In addition to this 213 miles of main line were constructed across the State of Johore to Singapore, thus connecting the Federated Malay States with Singapore by overland telegraph.

STRAITS SETTLEMENTS.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL GEORGE E. CHAMBERLIN, SINGAPORE.

The trade of the Straits Settlements suffered a severe depression throughout 1908. Although the quantity of exports was greater than in 1907, prices were low and unremunerative, and this resulted in a decrease in the consumption of imported goods.

The second half of the year proved less favorable than the first, probably because there was an absence of the speculative element which is usual in the market and dealers curtailed credits with their customers, who were thus compelled to confine orders to their immediate requirements. The trading community has received an object lesson in giving credit beyond what is required for legitimate business. A movement among the principal firms to limit credits to sixty days, and to insist on deliveries within the same period, met with some measure of support and beneficial results followed. At the close of the year it was generally felt that the market was in a healthier and more natural condition than it had been for some years.

IMPORTS AND EXPORTS BY COUNTRIES.

The total value of the imports into and exports from the Straits Settlements during 1908 was \$167,882,813 and \$148,551,851, respectively. This was a decrease of about 10 per cent in the value of the imports and about 8 per cent in the value of the exports from 1907. The imports and exports, by countries, in 1908 were as follows:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$1,987,226	\$13,043,545	Japan.....	\$3,807,482	\$1,839,500
Australia.....	3,496,182	577,886	Johore.....	4,140,260	2,413,990
Austria-Hungary.....	519,588	1,466,166	Kalantan.....	456,196	324,518
Belgium.....	966,162	1,278,028	Netherlands.....	1,136,000	957,106
British India and			Russia.....	5,680	1,717,810
Burma.....	19,101,634	8,744,398	Sarawak.....	2,619,882	2,356,654
China and Hongkong.....	13,204,336	6,849,166	Slam.....	21,017,278	9,647,470
Denmark.....	51,006	290,540	Spain.....	54,336	318,658
Dutch East Indies.....	24,855,956	22,077,962	Sweden.....	46,006	263,190
Federated Malay States.....	39,143,428	22,698,864	Tringganu.....	774,854	319,224
France.....	910,694	5,503,218	United Kingdom.....	17,313,374	35,409,333
French Indo-China.....	5,035,136	981,444	All other countries.....	3,063,825	4,079,962
Germany.....	2,795,474	3,226,578			
Italy.....	1,379,908	2,063,636	Total.....	167,882,813	148,551,851

PRINCIPAL ARTICLES OF IMPORT.

The following statement shows the principal articles imported into the Colony during 1908:

Articles.	Value.	Articles.	Value.
Animals:		Glass and glassware.....	\$353,006
Cattle.....	\$726,747	Gums, resins, etc.:	
Goats and sheep.....	190,120	Gum—	
Hogs.....	956,267	Benzoin.....	261,369
Bark, mangrove.....	145,353	Copal.....	781,297
Birds' nests.....	274,060	Dammar.....	222,886
Books and maps.....	165,409	Other.....	444,290
Breaststuffs:		Gutta-percha, etc.....	4,337,198
Bran.....	1,241,045	Haberdashery.....	1,500,536
Bread and biscuits.....	233,709	Hats and caps.....	174,096
Flour, wheat.....	1,589,890	Instruments, musical.....	151,901
Sago.....	1,283,249	Iron and steel, and manufactures of:	
Carriages, motor cars, etc.....	606,584	Bar and nail rod.....	121,347
Cement.....	576,351	Corrugated.....	166,689
Chemicals, drugs, etc.....	1,162,798	Hardware.....	487,082
Chocolate and cocoa.....	171,679	Ironware.....	1,008,999
Clocks and watches.....	126,765	Machinery.....	1,196,424
Coal.....	4,252,111	Nails.....	150,671
Coffee.....	736,907	Railway and tramway material.....	415,448
Copra.....	5,105,434	Steel.....	830,798
Cordage.....	491,780	Tinplates.....	373,053
Cotton, manufactures of:		Tools, etc.....	220,603
Blankets.....	105,427	Leather, and manufactures of:	
Piece goods—		Boots and shoes.....	148,351
Dyed.....	1,766,952	Other.....	161,765
Plain.....	4,044,938	Matches.....	637,009
Prints.....	854,791	Mats and matting.....	278,814
Sarongs, etc.....	2,399,909	Oils:	
Thread.....	332,875	Cocoanut.....	255,589
Yarn.....	1,199,043	Kachang.....	552,601
Crockery, etc.....	658,606	Lubricating.....	250,632
Curry stuffs.....	458,259	Petroleum.....	1,770,373
Electrical apparatus, etc.....	425,080	Other.....	575,947
Fish and fish products.....	4,897,498	Opium.....	5,183,152
Fruit and nuts:		Ore, tin.....	30,080,161
Fruit—		Paints and varnish.....	380,480
Dried.....	271,004	Paper, and manufactures of.....	669,690
Fresh.....	408,077	Pepper.....	4,080,522
Nuts—		Perfumery.....	198,623
Ground.....	531,512	Provisions:	
Illipe.....	259,696	Bacon and hams.....	76,596
Gambier.....	2,498,320	Butter and cheese.....	194,534

Articles.	Value.	Articles.	Value.
Provisions—Continued.		Sugar.....	\$2,785,403
Lard.....	\$776,752	Taploca.....	778,750
Meat, fresh.....	212,877	Tea.....	957,898
Milk, condensed.....	904,701	Textiles, n. e. s.....	794,949
Other.....	1,423,028	Tin.....	7,964,880
Rattan.....	1,743,239	Tobacco, and manufactures of:	
Rice and paddy.....	22,789,128	Cigars and cigarettes.....	1,258,491
Sacks, gunny.....	1,948,077	Tobacco.....	2,371,490
Salt.....	238,666	Wood, and manufactures of:	
Seeds.....	434,678	Cabinet ware.....	200,320
Silk, manufactures of:		Firewood.....	170,892
Piece goods.....	928,570	Planks.....	160,968
Thread.....	113,128	Timber.....	488,972
Soap and soda.....	259,656	Wooden ware.....	180,760
Spices, etc.....	1,721,200	Wool, manufactures of:	
Spirits, wines, etc.:		Blankets.....	86,631
Ale and beer, etc.....	407,132	Cloth.....	290,158
Brandy.....	563,352	Other.....	39,431
Gin.....	227,303		
Wine.....	152,798		
Other.....	245,816		

MARKET FOR PIECE GOODS.

The business in piece goods was smaller and less profitable than in 1907, which also showed a falling off from previous years. All three classes (plain, dyed, and printed) together fell off 689,958 pieces in quantity, or 16.5 per cent, and \$1,944,890 in value, or 22.5 per cent; but stocks were freely drawn from, and at the close of the year, though still in excess of those in and prior to 1905, they were much below the average for the two preceding years. Exports to all the principal markets of all three classes fell off 17 per cent. Siam, the Federated Malay States, Sumatra, and Borneo showed weakened demands; the decline was most marked in dyed cottons. Large direct shipments of goods from the United Kingdom to European firms in Siam continued, and this had a restrictive effect on the sales of staples from here. There were received in Siam in 1908 6,632,900 yards of white and gray goods, an increase of 64,000 yards; 11,026,800 yards of dyed, an advance of 2,600,000 yards, and 3,984,000 yards of printed, a decline of 3,571,600 yards.

The demand for gray yarn increased the receipts of yarn from the United Kingdom, but a fall in imports from Indian ports reduced the total received. The decrease amounted to 3,520 bales, valued at \$170,940. Colored yarns showed a slight gain, nearly all coming from the United Kingdom and India. Shipments from the former showed a decrease of 17 per cent and of the latter an increase of 14 per cent, the total increase from all countries amounting to \$46,651.

Sewing thread, sarongs, slendangs and kains, and cotton blankets all showed a falling off, the decrease in the three classes amounting to about \$550,000. Cotton handkerchiefs showed a slight increase in imports.

RECEIPTS OF IRON AND STEEL PRODUCTS.

There was an increase of \$51,289 in the imports of machinery. Out of the total imports of \$1,196,424 the United Kingdom supplied \$948,050 worth, the United States \$35,393, Belgium \$36,790, and Germany \$25,000. In addition there were \$54,416 worth of sewing machines imported, of which the United States' share was \$3,653. Under ordinary circumstances there would have been a heavy decline

in the imports of machinery, but the extensive harbor improvements now under construction caused the imports of heavy machinery from the United Kingdom to increase greatly. Ironware imports decreased \$163,609, showing a falling off in shipments from the United Kingdom, Germany, and the United States.

Trade in cycles, motor cars, etc., showed a substantial expansion. The imports in 1907 amounted to \$365,664, and in 1908 to \$487,866, an increase of about 33 per cent. The United Kingdom forwarded \$346,958 of this amount, France \$24,338, Germany \$23,000, Belgium \$19,500, and the United States \$14,593.

Hardware imports amounted to \$487,062, a decrease of \$731,887. The heavy loss in this line can be accounted for only by the fact that stocks at the end of 1907 were greatly in excess of those of previous years. The United Kingdom and Germany were the principal sources of supply, the United States furnishing only \$7,502 worth. Iron nails also showed a heavy falling off, imports decreasing from \$255,284 in 1907 to \$150,671 in 1908, shipments from the United States alone decreasing \$51,985.

Of other iron and steel manufactures, nearly all showed decreases ranging from 5 to 50 per cent.

FOODS, DRINKS, AND NARCOTICS.

Rice and paddy, which are the largest food articles of import, were valued at \$22,789,128 in 1908, of which rice amounted to 519,869 tons, worth \$21,192,990, an increase of 64,028 tons and \$2,493,796 in value.

Wheat flour receipts amounted to 29,012 tons, valued at \$1,589,890, against 32,807 tons, valued at \$1,719,481, in 1907. Direct shipments of flour from the United States amounted to \$376,276, an increase of \$311,490. From Hongkong there was received \$832,586 worth, and it is estimated that from one-half to two-thirds of this amount is of American origin, the balance principally Australian. There was received direct from Australia flour to the value of \$284,132, a decrease of \$653,164.

Lard imported reached a value of \$776,752, a decrease of \$136,972, and of this amount the United States furnished \$140,644 worth, which was \$37,374 less than in 1907. Hongkong sent \$250,372, and China \$346,958 worth.

The imports of dried and preserved fruits decreased \$113,548; oilmen's stores, \$133,488; provisions, \$121,556; and sugar, \$155,122.

Spirits received in 1908 amounted to 997,868 gallons, a decrease of 189,132 gallons; malt liquors, 688,980 gallons, a decrease of 102,142 gallons; bottled beer and bulk ale, 580,166, or 54,834 gallons less than in 1907, and the imports of porter and stout decreased 47,924 gallons. Of beer and ale Germany supplied 317,698 gallons, the United Kingdom 217,364 gallons, and the United States 330 gallons. All the porter and stout was received from the United Kingdom.

Opium imports amounted to 11,587 chests, a decline of 2,127 chests from 1907. Of this amount 9,395 chests were reexported to the Federated Malay States and ports in the Dutch East Indies.

Cigars and cigarettes show an increase in imports of \$5,850 over 1907, the total received amounting to \$1,258,491. Tobacco fell off \$331,922 in value and 655,734 pounds in quantity, the total received being 13,344,266 pounds. There was an increase of \$17,705 in the

value of cigars and cigarettes received from the United States and of \$7,825 in tobacco.

OIL AND COAL.

Of petroleum much the same quantity was received as in each of the last two years, about 1,250,000 cases. Borneo oil figured to a larger extent in the imports than formerly, and Sumatra brands fell off. In addition to the imports for sale, more than 107,000 tons of kerosene, benzine, and crude oil were transshipped at Singapore, of which about 70 per cent was from Sumatra, 25 per cent from Borneo, and 5 per cent from Russia, being an increase of 14,000 tons over 1907. The value of petroleum imported from the United States increased \$71,517, and that of lubricating oil decreased \$145,752, as compared with 1907.

The imports of coal into the Straits Settlements during 1908 increased 68,000 tons over 1907. The following table shows the average annual quantity of coal imported for the five years ended 1906, the imports for 1907 and 1908, respectively, and also the countries of origin:

Country of origin.	Annual average for 1902-1906.	1907.	1908.
	<i>Tons.</i>	<i>Tons.</i>	<i>Tons.</i>
Australia.....	82,000	91,000	211,000
Borneo and Sarawak.....	6,000	9,000	9,000
Calcutta.....	165,000	206,000	99,000
Dutch Borneo.....	9,000	18,000	10,000
Japan.....	306,000	252,000	319,000
Natal.....			31,000
Tonkin.....	7,000	12,000	15,000
United Kingdom.....	60,000	77,000	37,000
Other countries.....	1,000		5,000
Total.....	635,000	668,000	736,000

CHARACTER OF EXPORTS.

Tin is of chief importance among the articles exported from the Straits Settlements. During 1908, 57,998 tons, valued at \$40,597,985 were exported, an increase of 1,480 tons, but a decrease in value of \$6,497,743. The United States took 10,661 tons, valued at \$6,861,895; United Kingdom, 41,337 tons, valued at \$26,439,558; Italy, 1,944 tons, and France, 4,256 tons. Most of the tin is produced in the Federated Malay States, only small quantities being received from the Dutch East Indies, Siam, and Australia. The price remained fairly steady throughout the year, ranging from \$34.52 to \$37.92 per picul (picul=133½ pounds), but at a much lower level than during the first few months of the previous year, when it was as high as \$51 per picul.

Of black pepper there were exported in 1908, 29,502 tons, valued at \$2,376,756, an increase of 9,984 tons, but a decrease in value of \$701,244. The price of pepper, from the producers' standpoint, was unsatisfactory throughout the year, ranging from \$5.94 to \$6.97 per picul, against \$7.55 to \$10.73 in 1907. The United States was the largest consumer of this article, taking more than any other three countries combined. White pepper exports amounted to 7,974 tons,

valued at \$1,407,076, an increase of 1,373 tons, but a loss in value of \$160,424.

Nutmeg exports amounted to 1,360 tons, valued at \$254,134, against 1,362 tons, valued at \$336,300, during the previous year. A moderate business was done in other spices such as long pepper, cloves, cubebs, ginger, cassia, cinnamon, cardemoms, and areca nuts, and in every case the prevailing prices were lower than in 1907.

SAGO, TAPIOCA, RATTAN, AND GUMS.

The exports of sago flour reached 59,214 tons, valued at \$1,532,910, an increase of 8,233 tons and \$107,910 in value. The bulk of this article was taken by the United Kingdom and continental countries, the United States taking only 6,488 tons. Pearl sago exports reached 8,134 tons, valued at \$371,994, a decrease of 129 tons and \$139,566 in value. Tapioca flake and flour were exported to the amount of 20,954 tons, valued at \$1,038,044, and pearl tapioca to the amount of 23,885 tons, valued at \$1,368,002.

Rattans exported reached 26,888 tons, valued at \$2,217,022, as compared with 27,696 tons, valued at \$2,565,000, in 1907. The average price throughout the two years varied but slightly. Germany, Hong-kong, the United States, the United Kingdom, and France took practically all exported.

Of gums there were exported 9,480 tons of copal, valued at \$1,202,448, and 3,561 tons of dammar, valued at \$177,158. The export of gutta-percha amounted to 1,787 tons, valued at \$783,344; gutta-jelutong, 6,104 tons, valued at \$341,298; and Para rubber, 1,516 tons, valued at \$2,952,822. Para rubber showed an increase of 583 tons and \$558,822 in value. Other gums of less importance were rambong rubber, gamboge, camphor, dammar torches, cutch, safflower, dragon's blood, vegetable tallow and gum benzoin.

GAMBIER, PINEAPPLES, AND RICE.

The shipments of gambier in 1908 amounted to 32,041 tons, with a value of \$2,562,716. The United States took nearly one-half of the total exports, the remainder being divided among the United Kingdom, Belgium, France, Germany, and India.

Preserved pineapples showed a decrease of 128,685 cases and of \$285,836 in value, the total shipments amounting to 717,215 cases, valued at \$1,502,164. This industry, which is confined exclusively to the island of Singapore, has been unprofitable to the growers and preservers alike, the low prices prevailing forcing the growers to sell the fruit as low as 28 cents per 100 pineapples, while the cost of raising is estimated to be not less than 56 cents.

Rice is foreign to the Straits Settlements, every ton of it being imported, principally from Siam, Indo-China, and Burma. There were 487,002 tons, valued at \$21,127,648, reexported in 1908, a gain of 34,882 tons and \$1,611,254 in value. The reexportation of rice is entirely to near-by countries, none going to the United Kingdom or Europe.

Nearly every article of import enters into the export trade of the Straits Settlements, such as piece goods, foods, drugs, and narcotics, hardware and manufactured metals, raw materials, etc., and its peculiarly favorable location as a shipping point accounts for a coun-

try of much less than 1,000,000 inhabitants having a foreign trade of over \$316,000,000.

TRADE WITH THE UNITED STATES.

The value of merchandise imported into the Straits Settlements directly from the United States during 1908 was \$1,987,226, a decrease of \$50,213 from 1907. The value of the articles for the two years is shown in the following statement:

Arti les.	1907.	1908.	Articles.	1907.	1908.
Boots and shoes.....	\$2,630	\$3,832	Oils:		
Carriages, motor cars, etc.	33,628	26,853	Lubricating.....	\$313,576	\$179,884
Chemicals, drugs, and medicines.....	19,637	12,289	Petroleum.....	304,707	376,224
Clocks and watches.....	9,170	6,716	Other.....	9,077	16,023
Cotton goods.....	11,797	4,387	Oilmen's stores.....	80,566	41,191
Firearms.....	11,801	10,336	Paper.....	8,786	3,264
Flour, wheat.....	64,786	376,276	Photographic material.....	13,623	252
Fruit.....	12,892	10,785	Provisions:		
Instruments, musical.....	22,962	7,618	Lard.....	178,018	140,644
Iron and steel, manufactures of:			Milk, condensed.....	18,994	9,143
Hardware.....	20,591	7,502	Tallow.....	15,112	13,726
Ironware.....	46,601	30,791	Stationery.....	5,777	2,047
Machinery.....	64,992	35,393	Textiles, n. e. s.....	17,457	11,298
Nails.....	76,866	24,881	Tobacco, and manufactures of.....	520,082	545,562
Tools, etc.....	29,172	26,554	All other articles.....	106,477	46,227
Other.....	8,422	7,035			
Lamps and fixtures.....	15,300	10,498	Total.....	2,087,439	1,987,226

EXPORTS TO THE UNITED STATES.

The total value of the exports from the Straits Settlements to the United States in 1908 was \$13,043,545, against \$17,767,909 in 1907. The shipments from Singapore in 1908 were valued at \$9,720,239, a decrease of \$3,148,199, and those from Penang \$3,323,306, a falling off of \$1,576,165 from the previous year. The value of the articles for the two years was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
SINGAPORE.			SINGAPORE—continued.		
Chemicals, drugs, dyes, etc.:			Pineapples.....	\$548,770	\$317,314
Cassia.....	\$4,064	\$6,033	Rattan.....	773,804	387,217
Cubebs.....	5,562	5,401	Rubber.....	1,085,102	241,672
Cutch.....	49,034	27,154	Sago.....	187,346	158,227
Gambier.....	827,596	1,445,721	Tapioca.....	536,827	249,466
Gum—			Tin.....	4,826,393	4,042,836
Copal.....	583,793	421,161	All other articles.....	48,232	35,296
Dammar.....	41,103	57,600			
Other.....	118,627	29,516	Total.....	12,868,438	9,720,239
Mace.....	27,470	23,380			
Nutmegs.....	177,940	81,804	PENANG.		
Coffee.....	26,346	64,632	Chemicals, drugs, dyes, etc.:		
Gutta jelutong.....	1,018,689	352,970	Cloves.....	3,975	7,960
Gutta-percha.....	23,483	17,517	Mace.....	11,876	19,028
Hides:			Nutmegs.....	33,959	21,630
Buffalo.....	62,128	13,920	Pepper:		
Deer.....	58,299	12,619	Black.....	230,419	155,173
Elk.....	9,477	34,202	White.....	68,099	47,354
Kapok.....	2,018	8,877	Tapioca.....	463,945	242,910
Oils:			Tin.....	4,065,398	2,819,059
Benzine.....	296,844	345,314	All other articles.....	21,800	10,187
Coccanut.....	108,924	42,186			
Naptha.....	338,234	303,409	Total.....	4,899,471	3,323,306
Pepper:			Grand total.....	17,767,909	13,043,545
Black.....	836,293	690,061			
White.....	246,040	304,735			

SHIPPING STATISTICS.

The number of vessels entered and cleared at the four ports in the Straits Settlements—Singapore, Penang, Malacca, and Labuan—during 1908 was 54,554, of a total of 23,994,336 tons, a decrease of 2,169 in the number of vessels, but an increase of 1,294,966 in tonnage, compared with the previous year.

The total tonnage for Singapore in 1908 was 15,507,102, of which 10,348 ships were merchant vessels of 13,933,205 tons; 274 war ships, etc., of 554,756 tons, and 18,617 native craft, of 1,019,141 tons. Merchant vessels showed an increase of 353,475 tons and war ships and native craft, a decrease of 160,542 and 40,782 tons, respectively.

During the year 59 vessels, with a tonnage of 177,491, arrived in Singapore from the United States, 53 from Atlantic coast ports and 6 from Pacific coast ports, and all but 8 were under the British flag. Only one merchant vessel under the American flag entered the port during the year, and it sold to a foreigner while in port.

The vessels that entered and cleared at Penang during 1908 numbered 16,468, of 7,321,144 tons.

DUTCH EAST INDIES.

REVIEW OF TRADE CONDITIONS.

By CONSUL BRADSTREET S. RAIRDEN, BATAVIA.

The year 1908 was a prosperous one for the entire colony, the crops having been abundant, import and export trade brisk, and few financial failures of any consequence being reported. The exports of sugar and rice were larger than for a number of years, and the native population was able to increase the area of rice under cultivation.

The government did much within the past year to improve the condition of the native population, and such work met with success. New sugar factories were opened, and trade in this line is expected to increase.

The cultivation of coffee, tea, and sugar increased during the year. The production of coffee amounted to 45,529,856 pounds, tea for export 36,579,400 pounds, and sugar 1,338,455 tons. On December 31, 1908, there were 156,000 acres planted in rubber. This industry is increasing, and it is reported that an American company, through its agents in the Netherlands, is endeavoring to secure concessions for the purpose of planting rubber.

Unofficial figures give the value of imports into the Dutch East Indies during 1908 as \$94,810,000, against \$94,757,000 in 1907. The exports for the two years were valued at \$143,908,000 and \$143,601,380, respectively. The imports from the United States during 1908 were valued (unofficial figures) at \$1,705,000, against \$1,698,448 in 1907. The imports of petroleum from the United States amounted to 13,727,430 gallons, an increase of 107,530 gallons over 1907, while the receipts of oil from Sumatra and Borneo showed a decrease from 11,476,720 gallons to 8,921,950 gallons.

INCREASED EXPORTS TO THE UNITED STATES.

The declared exports from the Dutch East Indies to the United States for 1908 were valued at \$25,803,536, against \$17,638,431 in 1907. The shipments of sugar increased in value from \$13,421,421 to \$21,252,339, and coffee advanced from \$1,280,291 to \$1,690,296. In the following statement is shown, the value by articles of the exports declared at Batavia and the four agencies to the United States during 1908:

Articles.	Value.	Articles.	Value.
BATAVIA.		PADANG—continued.	
Cacao.....	\$8,756	Gum.....	\$2,666
Coffee.....	560,267	Mace.....	21,810
Dammar.....	206,298	Nutmegs.....	9,650
Hats:		Rattan.....	54,967
Bamboo.....	203,397	All other articles.....	826
Grass (pandan).....	135,340		
Kapok.....	56,548	Total.....	1,270,917
Oils:			
Citronella.....	10,138	SAMARANG.	
Kananga.....	4,023	Cacao.....	125,769
Ore, manganese.....	3,978	Coffee.....	15,497
Pepper, black.....	203,875	Cotton.....	7,760
Quinine.....	23,081	Hemp.....	5,423
Rubber.....	3,362	Hides and skins.....	136,321
Skins.....	47,612	Kapok.....	204,923
Sugar.....	3,649,420	Oil, citronella.....	6,951
Tapioca.....	14,698	Sugar.....	6,105,171
Wax, paraffin.....	4,269	Tapioca.....	13,677
All other articles.....	164,363	Teakwood.....	5,790
Total.....	5,299,425	All other articles.....	2,227
		Total.....	6,629,509
MACASSAR.			
Coffee.....	50,192	SAERABAYA.	
Gum, copal.....	101,897	Cacao.....	2,046
Mace.....	12,201	Coffee.....	28,311
Mother-of-pearl shells.....	358,930	Hides and skins.....	30,661
Nutmegs.....	11,860	Kapok.....	228,323
Sandalwood.....	35,358	Staves.....	12,397
Skins.....	8,229	Sugar.....	11,497,748
All other articles.....	5,457	Tapioca flour.....	206,790
Total.....	584,034	All other articles.....	13,355
		Total.....	12,019,651
PADANG.		Grand total.....	25,803,536
Cassia.....	144,979		
Coffee.....	1,036,029		

JAPAN.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL E. G. BABBITT, YOKOHAMA.

The year 1908 was one of world-wide depression, the effect of which in Japan was clearly shown by the falling off in foreign trade. For the first time since 1899 there was a decrease in volume, in place of the consistent increase shown even in 1907, likewise a year of depression. Indeed, with the exception of slight decreases during the earlier years, the growth of Japan's foreign trade has been steady since the first recorded figures of 1868. The total value of imports for 1908 in comparison with the year 1907 shows a decrease of \$28,988,452. This is not a large amount when compared with the losses of other nations,

but the difference of more than 10 per cent from the previous year was severely felt in Japan. The total exports were \$188,366,345, a per capita ratio of \$3.82, and the total imports \$217,256,286, a per capita value of \$4.41. Exports in 1907 reached the total of \$215,341,611, and the imports amounted to \$246,244,738 in that year. These figures do not include the trade with Formosa. The falling off in imports can be traced to the industrial depression, the largest items among the imports showing decreases having been raw materials and articles for further manufacture. The decrease in the export trade is due largely to the financial troubles in America and to the condition of the Chinese market, these two countries being Japan's best customers. The fluctuation of silver in China also had an adverse influence on the trade with that country.

The balance of trade continues against Japan. In fact, the year 1906 was the only one since 1895 when the exports from this country exceeded the imports, and then it was by only a small margin. The import of specie and bullion in 1908, however, exceeded the exports by nearly \$7,000,000, but this item has little value, as the Japanese Government maintains a large reserve in London and the importation of specie may mean simply that the Government is transferring coin from London in exchange for bonds. Gold coin is practically out of circulation in Japan.

IMPORTS FROM ALL COUNTRIES.

In considering the tables and detailed statistics incorporated in this report it should be noted that the value of imported articles includes the packing charges, cost of transportation, insurance, and all other charges incurred up to the arrival of the articles at the port of importation, while the value of the exported articles includes of these only the cost of packing. A table showing the total imports into Japan from all countries for 1907 and 1908 follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals:			Cars, carriages, etc., and parts:		
Bulls, oxen, and cows.....	\$223,496	\$375,978	Bicycles and tricycles.....	\$1,116,955	\$1,070,023
Horses.....	231,653	199,070	Cars, electric.....	278,148	220,093
Other.....	10,216	12,865	Cars, railway.....	508,714	715,869
Beans, peas, and pulses.....	5,182,137	5,763,944	Celluloid, manufactures of.....	167,569	349,039
Balting and hose:			Cement, Portland.....	685,952	212,681
Canvas.....	178,883	141,710	Chemicals, drugs, and dyes:		
Caoutchouc.....	37,752	58,450	Acids.....	325,956	385,900
Leather.....	44,008	28,457	Ammonia, sulphate of.....	4,098,262	4,380,801
Other.....	39,059	24,680	Aniline.....	1,230,607	1,047,687
Bones.....	616,644	472,429	Indigo.....	2,925,604	2,669,461
Braces and suspenders.....	23,966	27,779	Phosphorus.....	274,859	184,993
Breadstuffs:			Potash—		
Flour.....	3,093,965	1,408,931	Chlorate.....	591,164	428,364
Flour, meal, and groats.....	15,379	55,439	Cyanide.....	181,539	108,219
Wheat.....	1,827,800	1,249,853	Other.....	136,570	48,908
Other.....	23,862	52,045	Soda.....	882,161	869,113
Buckles, hooks and eyes.....	34,789	28,040	Other.....	1,985,533	1,955,177
Buttons.....	44,072	53,836	Clocks, watches, and parts.....	815,862	671,905
Candles.....	7,882	11,346	Coal.....	166,311	313,674
Caoutchouc, etc., manufactures of:			Coffee.....	23,266	19,657
Crude.....	383,815	441,516	Coke.....	173,661	303,117
Plates and sheets.....	53,153	31,059			
Shoes.....	51,577	59,011			
Tubes and rods.....	61,277	81,834			
Other.....	209,015	237,907			

Articles.	1907.	1908.	Articles.	1907.	1908.
Comestibles, in tins, etc.	\$99,702	\$82,447	Iron and steel, manufac-		
Cork stoppers.....	251,244	193,938	tures of—Continued.		
Cotton, and manufac-			Nails, rivets, nuts,	\$2,335,250	\$2,204,560
tures of:			etc.....	44,778	34,490
Raw			Needles and pins.....	1,672,184	1,626,706
Ginned.....	56,789,293	44,179,313	Pipes, tubes, etc.	3,757,190	2,417,228
Unginned.....	800,223	708,319	Plates and sheets	1,906,594	2,525,580
Cloth, umbrella.....	844,457	844,654	Rails.....	65,890	55,246
Flannels.....	310,357	102,130	Stoves.....	1,618,517	973,952
Handkerchiefs.....	87,484	106,305	T, angle, etc.	642,911	1,251,847
Lawns and victorias.	114,303	119,913	Tin plates.....	283,892	242,640
Prints.....	1,242,458	666,628	Tools.....	505,251	454,117
Satins and italians.	1,037,439	1,530,217	Turning lathes.....	40,987	19,987
Shirting and sheet-			Typewriters.....		
ings			Wire.....		
Gray.....	3,458,434	3,745,814	Electric.....	1,196,431	929,830
White.....	640,405	817,292	Galvanized.....	710,607	865,574
Other.....	65,768	20,560	Other.....	36,784	16,281
Thread.....	180,200	211,106	Wire rope.....	147,357	212,895
Velvets and plushes.	444,779	699,479	Wire and small rods.	496,144	244,368
Yarn.....	1,005,081	685,089	All other.....	710,235	495,021
All other.....	590,085	389,892	Lacquers.....	228,881	219,661
Earthen and porcelain			Lamps, etc.....	286,063	253,765
ware.....	242,249	173,887	Leather.....		
Eggs.....	477,344	643,401	Sheep and goat.....	376,404	351,588
Explosives.....	421,261	503,524	Shoes.....	11,845	16,006
Fertilizers.....			Sole.....	1,088,935	630,517
Bone dust.....	368,008	243,170	Other.....	496,086	449,778
Dried fish.....	281,348	128,621	Linen or hemp tissues.	314,382	532,769
Fish guano.....	720,833	647,827	Malt and hops.....	397,841	290,425
Other.....	1,010,090	911,099	Mats for packing.....	237,119	221,728
Flax, hemp, jute, etc.,			Metals, and manufactures		
and manufactures of.....	1,746,635	1,248,067	of:		
Fish, salted.....	339,736	233,526	Aluminum.....	898,002	210,113
Fruits and nuts.....	38,575	34,930	Brass.....		
Funori.....	29,051	1,265,497	Bars and rods.....	56,827	10,126
Furs.....	37,341	24,143	Plates, sheets,		
Glass and glassware.....	1,165,242	1,026,897	and wire.....	87,161	48,203
Gloves.....	89,495	125,858	Pipes and tubes.....	221,937	194,758
Glue.....	74,775	124,149	Copper.....		
Hair.....	160,377	165,708	Bars, rods, etc.....	100,032	108,073
Hats, caps, and bonnets.	434,545	356,497	Pigs, ingots, etc.....	30,109	38,978
Hides and skins.....	1,297,375	826,286	Pipes and tubes.....	340,120	277,697
Horns and horns.....	46,209	35,944	Wire.....	8,368	19,709
Ink.....	64,172	76,774	Lead.....		
Instruments:			Pigs, ingots, and		
Musical.....	179,914	125,855	slabs.....	423,843	486,609
Scientific.....	504,133	368,444	Plates, sheets,		
Other.....	111,044	160,628	etc.....	166,534	92,330
Iron and steel, manu-			Other.....	97,671	76,285
factures of:			Mercury.....	60,374	80,381
Bars and rods.....	4,883,327	3,751,878	Nickel.....	221,349	420,618
Blooms, pigs, ingots,			Tin.....	711,313	515,746
etc.....	2,075,636	1,911,860	Zinc.....		
Boilers, steam.....	729,186	663,195	Blocks, ingots,		
Bridge-construction,			etc.....	211,969	263,269
etc.....	1,075,086	1,926,347	Old.....	131,181	140,615
Engines.....			Plates and sheets	608,091	466,104
Gas, steam, etc.....	983,477	1,380,935	Other.....	210,189	149,888
Turbines.....	500,961	373,706	All other.....	1,826,554	700,945
Fish plates.....	110,636	185,357	Oil cake:		
Galvanized sheets.....	2,834,623	2,300,497	Bean.....	8,680,627	10,829,604
Gauges and meters,			Cotton-seed.....	406,665	432,514
n. e. s.....	369,559	379,734	Rape-seed.....	1,028,168	695,831
Hydraulic motors			Other.....	370,867	233,188
and presses.....	212,311	355,842	Oils.....	568,225	493,925
Machinery—			Ores and minerals:		
Cotton-printing.....	22,057	122,736	Iron.....	452,959	663,013
Drilling and bor-			Plumbago.....	67,859	173,914
ing.....	339,064	411,574	Other.....	273,993	232,719
Electric.....	1,266,382	1,853,146	Packing for engines.	147,159	142,570
Ice-making.....	28,962	112,562	Paints and pigments.....	891,783	1,337,008
Lifting.....	534,423	567,311	Paper, and manufactures		
Locomotives, etc.			of:		
Milling.....	139,148	240,534	Cigarette.....	137,952	115,676
Mining.....	94,673	103,695	Copy, drawing, and		
Paper-making.....	402,808	825,139	music books.....	292,450	257,417
Planing.....	228,985	179,526	Drawing.....	106,018	66,069
Printing.....	145,459	77,565	Fancy.....	198,582	156,848
Pumping.....	541,814	454,580	Japanese, imitation.	540,795	428,934
Sawing.....	187,192	227,100	Match.....	172,925	107,623
Spinning.....	1,913,506	3,630,444	Photographic.....	89,676	105,095
Weaving.....	338,710	706,537	Printing.....	1,696,742	1,269,738
Other.....	4,598,012	4,318,376	Writing.....	170,779	95,365
			Other.....	911,875	574,210

Articles.	1907.	1908.	Articles.	1907.	1908.
Pencils.....	\$235,672	\$294,614	Textile manufactures n. e. s.....	\$3,085,333	\$1,995,518
Provisions:			Tobacco.....	405,418	389,433
Butter and cheese....	100,596	89,530	Toilet waters, etc.....	290,349	240,149
Ham and bacon.....	21,170	17,711	Toys.....	53,691	41,163
Milk, condensed.....	1,026,982	1,189,869	Trimmings.....	274,363	190,819
Other.....	227,035	251,810	Tusks or ivory.....	116,666	92,162
Pulp for paper manufac- ture.....	820,101	903,792	Varnish.....	57,069	119,211
Rattans.....	138,772	138,274	Vessels, steam, etc.....	1,675,406	1,462,739
Rice.....	15,403,667	11,298,892	Wax.....	1,179,078	2,242,346
Resin.....	174,427	175,577	Wood.....	2,375,882	1,780,715
Salt.....	129,127	406,042	Wool, manufactures of:		
Seeds.....	1,176,963	820,931	Alpacas.....	79,297	61,670
Shells.....	85,011	76,910	Cashmeres.....	50,379	82,865
Silk, and manufactures of:			Cloth—		
Raw.....	815,987	719,574	Italian.....	193,450	399,719
Cocoons.....	542,955	236,260	Woolen.....	3,001,556	1,347,291
Velvets and plushes..	159,272	173,792	Wool and cotton..	1,224,228	842,044
Other.....	81,965	89,958	Flannels.....	364,251	272,129
Soap.....	532,489	315,230	Mousseline de laine..	982,887	1,000,069
Spices.....	18,467	21,316	Yarn, thread, twine, etc.....	7,148,022	3,411,388
Spirits, wines, and malt liquors:			Other.....	239,176	277,907
Alcohol.....	16,975	8,244	Parcels post.....	362,506	496,879
Beer, ale, etc.....	16,067	7,988	Traveling effects.....	112,098	104,364
Whisky.....	82,449	42,108	All other articles.....	14,395,488	11,909,871
Wine.....	351,950	368,423	Total.....	245,584,574	216,777,030
Other.....	41,607	22,905	Reimports.....	660,164	479,256
Sugar.....	9,842,748	9,762,811	Grand total.....	246,244,738	217,256,286
Tallow and animal fats..	250,996	317,359			
Tea.....	18,427	32,050			

RICE IMPORTS DECREASE.

The imports of rice greatly decreased during 1908, the falling off from 1907 having been \$4,104,775. As Japan can not supply her own requirements for this food, and the exports of Japanese rice exceeded those in 1907, it must be assumed that the Japanese who have been consuming imported rice have turned to a cheaper food because of the prevailing hard times. The rice grown in Japan is of such an excellent quality that it is exported in large quantities (diminishing yearly, however), while cheaper grades are imported from southern China and elsewhere to supply the trade here. Wheat imports also showed a decrease of over \$500,000. The increased imports of beans and barley, largely consumed by the poorer classes, help to confirm the theory of a temporary lowering of the standard of living.

Wheat flour showed the considerable loss of \$1,685,034, and imports of metals, especially of iron and mild steel plates, likewise materially decreased. Bean-oil cake, used by the farmers instead of better grades of fertilizer, increased \$2,000,000. Imports of machinery generally increased during 1908, due to the inauguration of new enterprises or the extension of old ones; electrical machinery, cigarette-making and cotton-printing machines, ice and paper making machines, and cotton-spinning machines are included among the items showing increases. Printing presses showed a falling off, due probably to the manufacture of cheap machines in Japan, and typewriters also showed a decrease, caused, perhaps, by the fact that the country has been flooded with machines of every make and the market is limited. The greatest item of decrease in the textile industries is shown in ginned cotton, being \$12,609,980.

EXPORTS BY ARTICLES.

In the following table are given the total exports from Japan to all countries in 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bamboo.....	\$209,853	\$197,149	Fish—Continued.		
Bamboo manufactures.....	540,073	431,902	Shrimps and prawns.....	\$229,269	\$151,929
Boots, shoes, clogs, sandals, etc.	749,214	380,917	Tinned or bottled.....	805,803	290,855
Braids:			Fruits and nuts.....	1,105,330	933,902
Straw.....	1,944,958	1,583,585	Furs.....	638,923	453,836
Other.....	546,053	382,627	Glass, manufactures of.....	911,234	649,956
Breadstuffs:			Gloves.....	63,290	78,117
Barley.....	5,061	6,325	Grains and seeds.....	357,849	852,580
Biscuits.....	19,388	30,054	Hair:		
Flour.....	678	3,652	Animal.....	53,782	33,526
Meals and starches.....	50,760	75,721	Human.....	62,272	101,212
Oats.....	855,035	29,170	Hats, caps and bonnets.....	337,888	258,354
Wheat.....	1,979	711	Hemp, flax, and jute:		
Brushes.....	606,133	560,498	Cordage.....	80,293	81,555
Buttons.....	410,387	382,202	Hemp tissues.....	8,178	9,067
Carpets.....	280,015	166,258	Hides, horns, skins, etc.:		
Cars, carriages, etc.....	194,002	114,413	Undressed hides and skins.....	51,186	1,962
Cement, Portland.....	467,663	476,607	Other.....	88,032	67,067
Charcoal.....	197,191	252,462	Instruments, scientific.....	275,174	211,474
Chemicals, drugs, and medicines:			Iron and steel, manufactures of.....		
Acids.....	60,460	64,381	Machinery—		
Camphor.....	2,503,375	1,027,578	Cigarette makers.....	103,349	2,368
Camphor oil.....	183,153	106,048	Cotton gins.....	146,017	85,527
Ginseng.....	155,748	139,464	Dynamos and motors.....	122,104	158,400
Menthol, crystal.....	168,267	131,441	Printing.....	213,344	99,276
Peppermint oil.....	145,768	149,363	Spinning and weaving.....	120,413	134,585
Potash, iodide of.....	77,721	51,405	Other.....	516,902	604,788
Prepared medicines.....	352,498	243,594	Pans and rice kettles.....	138,187	143,628
Sulphur.....	543,512	516,672	Tools.....	87,406	104,172
Other.....	544,763	464,076	Other.....	836,788	859,756
Clocks, watches, and parts.....	391,820	204,309	Isinglass or colle.....	462,809	657,533
Clothing, European.....	453,032	283,964	Ivory, manufactures of.....	122,841	76,755
Coal:			Lacquered wares.....	728,291	476,722
Dust.....	964,320	849,542	Lamps, lanterns, and parts.....	493,574	363,297
Lump.....	8,504,016	8,230,980	Leather, and manufactures of:		
Coke.....	20,968	41,463	Leather.....	150,940	134,872
Collars and cuffs.....	46,558	43,274	Bags, portfolios, etc.....	121,620	75,934
Comestibles n. e. s.:			Marine products, n. e. s.:		
In tins, etc.....	322,645	206,355	Sea salt.....	147,256	135,617
Other.....	575,259	584,079	Seaweed.....	578,251	675,752
Coral, and manufactures of.....	236,711	259,020	Matches:		
Cotton, and manufactures of:			Safety.....	2,745,389	2,549,037
Blankets.....	107,408	66,060	Other.....	1,958,984	2,166,326
Capes.....	1,310,584	566,796	Mats and matting.....	2,860,153	2,870,997
Drills.....	740,969	1,133,805	Metals, and manufactures of:		
Hannels.....	384,081	255,195	Antimony.....	187,562	122,650
Handkerchiefs.....	95,052	55,690	Brass and yellow metal—		
Imitation nankeens.....	1,333,689	971,749	Plates and sheets.....	27,621	15,066
Shirts and sheetings.....			Slabs, bars, and rods.....	78,262	13,488
Gray.....	3,456,482	2,927,041	Wire.....	47,754	48,460
Twilled.....	103,735	126,183	Other.....	87,977	75,746
Tea cloths.....	394,657	388,237	Bronze.....	209,280	113,054
Thread.....	61,407	49,446	Copper—		
Towels.....	1,046,323	653,991	Ingots and slabs.....	14,573,825	10,584,996
Wadding.....	314,757	373,273	Plates and sheets.....	43,815	46,131
Yarn.....	15,251,103	10,405,475	Wire.....	63,232	114,541
Other.....	676,101	907,563	Other.....	38,427	16,944
Earthen and porcelain ware.....	3,735,456	2,665,301	Jewelry.....	627,262	98,833
Fans.....	621,738	415,064	Nickel wire.....	13,488	11,774
Feathers.....	65,674	83,223	Tin blocks, ingots, and slabs.....	26,272	22,547
Fertilizers.....	176,765	207,106	Other.....	635,386	750,059
Fish:			Mineral water.....	172,065	134,655
A wabi.....	282,175	163,424	Oils and waxes:		
Beche de mer.....	269,202	217,554	Candles.....	978,699	147,553
Cuttle.....	1,195,900	890,573	Colza oil.....	228,006	952,668
Dried or boiled.....	1,006,406	273,270			
Razor clams.....	606,738	27,848			
Salted.....	41,425	54,536			
Scallops.....	301,856	170,277			
Sharks' fins.....	105,268	90,994			

Articles.	1907.	1908.	Articles.	1907.	1908.
Oils and waxes—Cont'd.			Spirits, wines, and malt		
Fish and whale oil...	\$1,481,667	\$1,209,525	liquors—Continued.		
Vegetable wax.....	533,111	470,789	Wines.....	\$24,851	\$22,308
Other.....	133,224	113,367	Other.....	18,324	15,238
Ores and minerals:			Sugar:		
Copper.....	17,285	40,944	Refined.....	1,290,656	1,720,166
Manganese.....	60,294	57,813	Other.....	42,319	45,523
Zinc.....	298,261	244,155	Tea:		
Other.....	47,963	48,146	Black.....	219,742	129,345
Paints, pigments, and			Green—		
dyes.....	99,703	154,885	Basket-fired.....	2,250,792	1,759,661
Paper, and manufac-			Pan-fired.....	3,603,639	3,491,217
tures of:			Other.....	209,612	174,157
Books and journals..	392,108	322,324	Telephones.....	51,678	59,009
European paper.....	249,061	251,295	Textiles, n. e. s.....	1,672,410	945,746
Japanese paper.....	1,021,597	774,377	Tobacco:		
Pasteboard.....	81,314	94,225	Cigarettes.....	1,023,502	816,896
Photographs, pic-			Cut and leaf.....	123,908	135,365
tures, etc.....	868,049	54,170	Toilet articles.....	306,285	292,752
Wall paper.....	91,613	83,209	Toys.....	474,556	393,330
Other.....	726,802	802,667	Trimnings.....	51,625	69,358
Pea cheese.....	135,290	138,394	Umbrellas, parasols,		
Plants, trees, shrubs,			sticks, and handles:		
and roots.....	1,177,462	941,445	European.....	808,360	755,799
Rice.....	1,824,844	1,947,259	Japanese.....	69,760	42,646
Screens.....	307,286	159,426	Sticks and handles..	77,981	56,365
Silk, and manufactures			Underwear.....	2,106,931	1,721,340
of:			Vegetables:		
Raw.....	58,210,528	54,077,308	Beans, peas, and		
Cocoons.....	5,506	5,553	pulse.....	95,707	83,006
Cropes.....	183,186	153,521	Gingers.....	136,536	143,330
Floss.....	24,826	158,055	Mushrooms.....	581,728	458,759
Habutae.....	14,516,440	13,977,828	Onions.....	193,559	204,247
Handkerchiefs.....	2,637,290	1,944,985	Potatoes.....	164,737	187,345
Kalki.....	100,346	113,312	Other.....	212,181	221,477
Nightgowns.....	224,445	198,487	Vessels and boats.....	2,231,041	1,672,691
Shawls.....	62,423	44,881	Wood, and manufac-		
Silk-faced cotton			tures of:		
satins.....	425,790	216,693	Furniture.....	470,283	307,165
Taffetas.....	142,386	267,862	Railway ties.....	1,788,409	1,117,767
Waste.....	3,109,165	3,920,488	Other.....	5,282,660	3,571,496
Yarns.....	49,511	214,743	Wool, and manufactures		
Other, including cot-			of.....	106,672	102,778
ton mixtures.....	496,323	471,359	Parcels post.....	554,329	1,369,950
Soap.....	324,958	297,297	All other articles.....	1,120,614	5,096,193
Socks and stockings..	329,861	344,346	Total.....	213,394,963	186,950,874
Soy.....	539,260	525,108	Reexports.....	1,946,648	1,415,471
Spirits, wines, and malt			Grand total.....	215,341,611	188,366,345
liquors:					
Beer.....	662,634	601,448			
Sake.....	1,687,616	1,657,972			

The largest single item of export was silk, and the total exports of raw and waste silk, yarns, floss, and cocoons decreased from the figures of 1907 by \$3,013,389. There were decreases in many other items, though none so notable, and the increases were not sufficient to balance the losses, although there was the substantial gain of nearly \$430,000 in refined sugar alone. The great decline in the exports of manufactures shows the effect of the prevailing trade depression on the industrial concerns of Japan.

DECREASES DISTRIBUTED AMONG ALL COUNTRIES.

The loss in the import and export trade with the various countries was distributed fairly evenly among all, the only ones to which exports increased being British India, French Indo-China, the Philippines, Belgium, Netherlands, United Kingdom, and Australia. Those countries from which imports into Japan increased during 1908 were Chile, Dutch India, Spain, Sweden, and Egypt. The increased exports were of a general nature, and the same is true of imports, though in some instances a single item was responsible

for the increase, as with Sweden, the increase in imports from which country was due to firebricks; Spain supplied increased quantities of wine and quicksilver; Egypt's increase of over \$800,000 was due to ginned cotton, and Chile's increase to crude nitrate of soda and manures.

IMPORTS AND EXPORTS BY COUNTRIES.

In the following table are given the total imports into and exports from Japan, by countries, for 1907 and 1908:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
AMERICA.				
United States.....	\$40,187,286	\$38,663,065	\$65,288,305	\$60,754,300
British America.....	606,136	557,506	1,924,102	1,559,079
Mexico.....	478	161	418,967	356,986
Chile.....	178,501	296,675	64,804	34,215
Peru.....	240,796	15,321	43,740	28,665
Total.....	41,213,296	39,534,758	67,739,927	62,733,195
ASIA.				
Asiatic Russia.....	824,513	430,363	2,523,725	2,346,052
British India.....	37,147,455	24,566,562	6,517,867	6,786,507
China.....	33,678,037	25,381,508	52,797,927	30,132,452
Dutch India.....	10,957,686	11,034,740	1,126,133	1,057,541
French Indo-China.....	4,314,130	4,225,143	124,566	191,990
Hongkong.....	406,664	555,534	12,143,610	9,232,282
Korea.....	8,153,018	6,881,773	16,330,653	15,070,039
Kwantung Province.....	(c)	6,382,905	(c)	8,554,923
Philippines.....	1,075,271	806,327	894,271	1,174,639
Siam.....	1,363,872	1,338,522	168,517	1,140,630
Straits Settlements.....	1,525,004	1,345,653	2,872,244	2,661,375
Total.....	99,647,615	82,900,039	95,499,503	78,385,670
EUROPE.				
Austria-Hungary.....	1,270,822	1,022,564	572,066	580,655
Belgium.....	6,672,354	3,680,444	1,023,090	1,188,203
Denmark.....	117,012	62,367	48,712	46,262
France.....	3,406,429	2,612,728	21,180,262	16,805,386
Germany.....	23,738,536	23,046,751	5,605,298	3,971,956
Italy.....	469,552	330,416	6,857,826	5,670,940
Netherlands.....	599,799	507,879	132,869	214,654
Norway.....	422,199	249,473	3,099	2,883
Portugal.....	13,760	10,305	3,995	3,516
Russia.....	87,094	66,395	219,897	514,049
Spain.....	156,464	259,465	100,025	98,646
Sweden.....	659,079	683,472	3,759	2,885
Switzerland.....	1,552,199	1,339,030	31,984	23,006
Turkey.....	68,861	6,412	35,155	15,106
United Kingdom.....	57,890,045	53,681,695	11,176,766	12,709,659
Total.....	97,216,195	87,559,396	46,994,806	41,827,890
ALL OTHER COUNTRIES.				
Australia.....	3,893,739	1,490,865	2,387,365	2,632,090
Egypt.....	1,721,688	2,526,548	192,377	306,982
Hawaii.....	9,621	6,448	1,727,409	1,583,487
Others.....	2,542,594	2,338,242	800,243	897,061
Total.....	8,167,642	6,362,093	5,107,385	5,419,590
Grand total.....	246,244,738	217,256,286	215,341,611	188,366,345

^a Included with China.

TRADE BETWEEN THE UNITED STATES AND JAPAN.

The trade between Japan and the United States diminished in 1908 to the extent of \$6,058,286, the decrease in imports from the United States being \$1,524,281 and in exports thereto \$4,534,005.

In the exports to the United States there was a gain in sake of over \$24,000. Considerable increase is shown in exports of canned goods, which is rather remarkable in view of the quantities of canned goods imported by Japan. Those exported, however, are largely of foodstuffs consumed by the Japanese in America. Fish generally showed a substantial increase, particularly sardines. Tea showed decreased exports of nearly \$500,000. Under the classification of clothing there was a loss in practically every item exported to the United States, particularly in silk nightgowns, shirts, collars and cuffs, and silk shawls.

The export of rice increased substantially, and all other grains also gained. Peanuts fell off in exports by \$127,224. The exports of coal dropped more than \$600,000, while copper ore doubled and manganese ore tripled in exports. The shipment of antimony was resumed, \$7,806 worth being shipped as compared with none in 1907. The shipment of copper ingots increased over \$100,000 in value. This is one of the important items of export to the United States, following silk, silk goods, and tea. Leather fell off 50 per cent, and feathers in greater proportion. Habutae and kaiki silks come under the head of luxuries which can be dispensed with during hard times, which accounts for some of the decline during 1908. Cotton crêpes fell off considerably, but the greatest decrease was in silk handkerchiefs, and tablecloths and mantel drops, amounting to about 60 per cent in each.

Exports of raw silk to the United States increased \$887,224; silk waste increased over \$22,000, but spun silk yarn declined from \$4,581 to \$267. Raw silk is the most valuable item of export from Japan. The United States takes 80 per cent of it, and practically all is shipped from Yokohama. Miscellaneous exports to the United States declined generally. Matting showed a slight increase, the total figure for 1908 being \$2,622,121, a gain of \$4,756. This is also an important item in Japan's export trade, and the United States takes 90 per cent of it, practically all going from the port of Kobe.

EXPORTS FROM JAPAN TO THE UNITED STATES.

In the following table are given the exports from Japan to the United States in 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bamboos.....	\$51,127	\$51,411	Comestibles n. e. s.:		
Bamboo, manufactures of..	174,434	98,222	Canned.....	\$77,464	\$129,573
Baskets, trunks and bags			Other.....	65,994	53,475
of willow, etc.....	94,070	31,422	Coal and coke.....	581,532	170,775
Braids of straw, etc.....	74,471	557,764	Cotton, manufactures of:		
Breadstuffs: Flour, etc....	6,158	9,036	Crêpes.....	43,519	23,791
Brushes:			Handkerchiefs.....	11,713	14,713
Hair.....	87,172	87,501	Other.....	4,484	3,860
Nail.....	519,064	41,164	Earthenware and glass:		
Tooth.....	243,807	252,121	Porcelain.....	1,900,567	1,322,392
Other.....	22,615	22,584	Other.....	20,035	12,432
Catgut.....	28,542	28,336	Fans.....	181,248	104,323
Chemicals, drugs, etc.:			Fertilizers.....	5,702	52,651
Camphor.....	841,409	364,040	Fish:		
Camphor oil.....	53,952	46,026	Bonito.....	15,104	22,450
Medicines.....	29,884	17,230	Sardines and other.....	184	18,041
Sulphur.....	276,429	132,447	Shell.....	18,980	18,863
Other.....	6,458	8,527	Other.....	6,997	7,487

Articles.	1907.	1908.	Articles.	1907.	1908.
Instruments, surgical and scientific.....	\$3,555	\$2,933	Pea cheese.....	\$34,549	\$36,583
Iron and steel, manufactures of:			Peanuts.....	306,594	179,370
Machinery.....	6,520	5,758	Rice.....	369,905	453,624
Other.....	2,518	2,058	Screens.....	49,613	20,683
Isinglass.....	23,127	30,309	Shirts, collars, and cuffs.....	32,303	21,160
Ivory manufactures.....	16,197	8,371	Silk, and manufactures of:		
Lacquered ware.....	136,336	57,907	Raw.....	39,720,468	40,607,692
Lamps and parts.....	10,552	3,493	Habutae.....	3,956,786	2,890,205
Lanterns, Japanese.....	61,774	45,765	Handkerchiefs.....	1,000,445	401,141
Mattings.....	2,617,365	2,622,121	Kaki.....	27,932	2,614
Metals, and manufactures of:			Nightgowns.....	58,418	45,307
Antimony.....	75,725	46,242	Waste.....	104,394	127,619
Brass.....	47,592	40,518	Other, including cotton mixtures.....	90,092	53,325
Bronze.....	58,290	29,207	Skins, hair, horns, etc.:.....		
Copper ingots and slabs.....	1,542,145	1,647,636	Furs.....	43,263	42,574
Gold and silver.....	14,414	5,994	Hair (human).....	18,838	60,246
Other.....	221,210	31,446	Leather.....	11,843	5,432
Neckties.....	11,191	539	Other.....	10,906	6,011
Oils and waxes:			Spirits and liquors:		
Cotton oil.....	2,154	3,534	Sake.....	138,139	162,233
Fish and whale oil.....	48,758	17	Other.....	3,143	1,712
Vegetable wax.....	131,496	80,091	Tea:		
Other.....	6,120	1,795	Green.....	5,080,500	4,612,162
Ores and minerals:			Other.....	338,424	234,100
Copper.....	15,055	34,039	Textiles, n. e. s.:.....		
Manganese.....	10,388	34,269	Tablecloths and mantle drops.....	1,131,738	433,803
Other.....	23,404	25,349	Other.....	853,492	507,634
Paper, and manufactures of:			Toys.....	187,386	150,514
Books and journals.....	44,671	26,455	Umbrellas and parasols.....	32,001	15,118
Japanese.....	130,814	91,919	Vegetables:		
Paper napkins.....	47,474	26,407	Beans, peas, and pulse.....	16,778	13,091
Photographs, pictures, etc.....	18,382	10,221	Other.....	82,030	88,144
Wall paper.....	46,043	36,235	Wood manufactures.....	84,181	69,409
Other.....	42,324	41,904	Parcels post.....	57,245	84,999
			All other articles.....	598,200	732,630
			Total.....	65,288,306	60,754,300

FOODSTUFFS, CHEMICALS, AND MACHINERY.

Although California wines have an excellent reputation in this country, there was a general decrease in imports of these as well as other beverages. Flour imports declined from \$2,916,821 in 1907 to \$1,313,895 in 1908, a loss of \$1,602,926. Imports of butter decreased 50 per cent, preserved vegetables and meat and fish declined, but salted meat and fish gained 50 per cent. The decrease in vegetables, fish, and meat preserved in tins, etc., is to be laid to the increased output of the canning factories of Japan. There was a noteworthy increase in boots and shoes, patent medicines, and chlorate of potash, the latter rising from nothing in 1907 to \$10,763 in 1908. Photographic dry plates increased from \$13,957 to \$22,642.

Wheat dropped from \$1,305,954 to \$1,070,540. The United States, however, lost less in this trade than other countries, and the imports exceeded those of 1906. In machinery the United States increased its exports to Japan, the items showing greatest gains being beer-brewing machinery, diving apparatus, and drilling and boring machines. Electrical machinery of all sorts made substantial gains. Imports of ice-making machinery increased nearly 400 per cent, milling and mining machinery each 50 per cent, paper-making machinery more than 50 per cent, and spinning machinery 300 per cent. There were decreases in gas, hot-air, and petroleum engines; knitting, lifting, pumping, and sawing machinery; sewing machines; steam boilers; steam turbines and steam hammers; and typewriters. There was an increase in the imports of shoemaking machinery from

\$682 to \$7,801. The best Japanese-made shoes are of American leather, made on American lasts and by American machinery, so far as machinery is used, there being no large factories and custom-made shoes being the rule.

IRON, STEEL, AND MISCELLANEOUS IMPORTS.

Under iron and steel substantial increases were made in fish plates, galvanized sheets, pigs, ingots, pipes and tubes, and tinned plates and sheets. Rails nearly doubled in quantity, but iron and steel bars and rods declined one-half, while wire and small rods dropped from \$23,568 to \$9,729. Lead pigs, plates, tubes, etc., dropped from \$212,665 to \$20,823, and mercury from \$19,706 to \$74. Cutlery dropped from over \$15,000 to \$2,267, and material losses were shown in enameled iron wares, insulated wire, needles and pins, pens, and stoves.

Belting and hose for machinery, celluloid, and electric lamps and parts decreased considerably, due to the manufacture of these articles in Japan, and in all probability these will continue to decline. Portland cement dropped from \$4,841 to \$138, which is not surprising when the number of cement companies in Japan is considered. There was a considerable decrease in the imports of Oregon pine and other umber. Linseed oil and turpentine declined, but there was a substantial increase in lubricating and other heavy oils, mineral colza, and olive oil and paraffin. Watches and parts dropped from \$157,416 to \$40,092, due largely to the increased manufacture in this country.

Imports of bones, horns, and hoofs nearly quadrupled. Hides and skins declined from \$152,909 to \$17,255, and all leather imports dropped heavily. Sugar doubled in imports, the value reaching \$69,976. Cotton, ginned and unginned, declined \$1,125,893. On the other hand, cotton and linen thread, hemp, jute, and manila hemp showed an increase. Steam vessels fell from \$67,658 in 1907 to nothing in 1908. Locomotives and tenders and parts increased slightly, while the imports of railway passenger and freight cars and parts more than doubled. The government railways, however, are undertaking to build their own cars and eventually will build their own locomotives. Altogether, considering the general trade depression and the falling off in imports from other countries, the United States did remarkably well in its trade with Japan in the past year.

IMPORTS FROM THE UNITED STATES.

The following table shows the imports from the United States into Japan during 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals:			Cars, carriages, and parts:		
Cattle.....	\$10, 179	\$34, 179	Bicycles and tricycles...	\$237, 581	\$175, 754
Other.....	2, 210	5, 962	Car parts, electric.....	238, 161	188, 618
Belting and hose.....	46, 206	28, 725	Cars, railway, and parts	174, 449	\$78, 017
Bones.....	4, 719	28, 813	Other.....	8, 777	58, 603
Boots, shoes, sandals, etc...	50, 318	73, 666	Caoutchouc, and gutta-percha, and manufactures of:		
Breadstuffs:			Crude.....	72, 629	50, 443
Biscuits, etc.....	8, 282	6, 218	Plates and sheets.....	26, 822	21, 060
Flour.....	2, 918, 821	1, 313, 896	Pipes and tubes.....	11, 065	7, 006
Meals and starches.....	7, 574	8, 491	Other.....	30, 762	31, 765
Wheat.....	1, 306, 954	1, 070, 540			
Buckles, hooks and eyes....	6, 941	3, 333			

Articles.	1907.	1908.	Articles.	1907.	1908.
Chemicals, drugs, and medicines:			Iron and steel, manufactures of—Continued.		
Ammonia sulphate.....	\$6,379		Machinery—Cont'd.		
Glycerin.....		\$4,132	Locomotives, etc.....	\$774,424	\$779,800
Gum, shellac.....		7,236	Milling.....	74,000	180,887
Medicines.....	17,492	20,149	Mining.....	34,089	77,832
Plasters.....	16,919	15,989	Motors, hydraulic.....	49,314	53,639
Potash—			Paper-making.....	245,821	684,356
Bromide.....	12,709	724	Planing.....	17,396	22,029
Chlorate.....		10,763	Presses, hydraulic.....	23,635	13,131
Cyanide.....	97	26	Printing.....	4,623	25,543
Seneca roots.....	10,968	17,421	Pumping.....	237,584	186,444
Soda—			Sawing.....	47,706	38,609
Nitrate.....	71,512	7,619	Screwing.....	11,785	12,429
Other.....	113	408	Sewing.....	276,404	144,364
Other.....	67,155	161,675	Spinning.....	4,025	13,154
Clocks, watches, and parts:			Other.....	1,480,465	1,013,991
Clocks and parts.....	67,367	47,170	Nails, rivets, etc.....	611,037	536,474
Watches and parts.....	157,416	40,092	Pigs, ingots, etc.....	4,798	33,132
Coal.....	51,075	1,781	Pipes, tubes, scrap, etc.....	666,471	939,498
Coffee.....	3,961	3,728	Plates and sheets.....	102,953	78,743
Comestibles, n. e. s.....	14,158	14,150	Rails.....	650,989	1,199,126
Cotton, and manufactures of:			Revolvers, guns, etc.....	15,825	11,986
Ginned and unginned.....	14,304,287	13,178,394	Stoves.....	39,899	25,097
Bookbinders' cloth.....	11,494	1,864	T, angle, etc.....	27,655	127,296
Tissues, etc.....	52,630	47,262	Telephones.....	31,431	30,649
Earthenware:			Tinned plates or sheets.....	6,564	31,786
Bricks and tiles.....	4,965	18	Tools, etc.....	123,275	125,204
Earthenware and porcelain.....	63,186	14,684	Turning lathes.....	108,461	110,591
Emery cloth and wheels, and sandpaper.....	11,749	13,620	Typewriters.....	21,459	16,022
Fertilizers.....	168,940	93,347	Wire and small rods.....	23,568	9,729
Fruits and nuts.....	23,871	25,827	Wire rope.....	2,568	10,122
Glass, manufactures of:			Other.....	66,296	45,778
Photographic plates.....	13,957	22,642	Lamps, lanterns, and parts:		
Other.....	4,664	1,678	Electric.....	17,083	7,177
Grains and seeds.....	6,151	10,059	Other.....	122,296	95,667
Hair, animal.....	14,093	14,930	Leather:		
Hats, caps, and bonnets.....	1,066	1,405	Bull, ox, buffalo, etc.—		
Hides and skins.....	152,909	17,255	Dyed or colored.....	102,026	32,388
Inks.....	35,322	41,136	Lacquered or varnished.....	22,646	21,885
Instruments:			Sole.....	996,895	625,916
Musical.....	121,425	73,103	Other.....	13,116	39,297
Photographic apparatus.....	11,081	3,406	Chamois, sheep, and goat.....	65,970	49,657
Scientific—			Other.....	27,504	53,057
Balances, scales, etc.....	14,636	7,210	Malt and hops.....	70,301	814
Surgical, surveying, etc.....	119,129	83,828	Metals, and manufactures of:		
Other.....	34,795	27,048	Copper and brass.....	11,890	10,049
Iron and steel, manufactures of:			Lead, pigs, plates, tubes, etc.....	212,665	20,823
Bars and rods.....	181,776	89,974	Mercury.....	19,706	74
Bridge construction, etc.....	441,868	764,606	Metallic fittings, etc.....	42,918	45,830
Cutlery.....	15,777	2,267	Other.....	129,754	91,348
Enameled ware.....	5,620	2,540	Milk:		
Fish plates.....	54,027	104,326	Condensed.....	601,466	656,830
Galvanized sheets.....	266,325	275,827	Sterilized.....	4,005	4,819
Galvanized wire and hoops, bands, etc.....	54,613	48,370	Minerals and ores.....	58,245	44,678
Gauges and meters, n. e. s.....	167,116	130,732	Oils:		
Insulated wire.....	136,248	118,288	Coke.....	71,028	109,922
Machinery—			Kerosene.....	4,734,626	4,764,430
Boilers, steam.....	117,798	58,169	Limeoil.....	27,864	5,114
Drilling and boring.....	10,314	113,097	Lubricating, etc.....	298,242	414,475
Electric—			Volatile.....	26,892	25,737
Dynamoes and motors.....	493,139	688,147	Other.....	1,894	2,754
Other.....	296,986	476,935	Packing for engines.....	26,885	30,294
Engines—			Paints, pigments, and dyes:		
Fire.....	10,015	8,259	Carbon blacks.....	6,536	20,951
Gas, etc.....	33,316	26,106	Copper paints.....	2,881	10,497
Steam.....	255,925	296,498	Gold, silver, and platinum.....	40,281	18,956
Turbine.....	158,911	67,489	Other.....	22,085	36,609
Hammers, steam.....	11,061	5,144	Paper, and manufactures of:		
Ice-making.....	21,491	81,788	Books.....	43,987	44,461
Knitting.....	14,991	3,730	Imitation Japanese, etc.....	308	32,253
Lifting.....	64,564	45,563	Pasteboard.....	10,156	33,831
			Photographic.....	23,296	27,576
			Printing.....	147,513	250,639
			Other.....	23,772	24,605
			Pencils.....	18,693	38,882

Articles.	1907.	1908.	Articles.	1907.	1908
Provisions:			Textiles n. e. s.:		
Butter and cheese.....	\$12,094	\$7,405	Insulating tape.....	\$31,863	\$26,508
Preserved vegetables, meats, and fish.....	30,023	24,782	Thread, rope, yarn, etc.	12,528	18,616
Pulp.....	18,796	43,182	Other.....	123,488	27,357
Resin.....	167,827	167,080	Tobacco.....	246,426	298,088
Salted meat and fish.....	73,511	111,129	Toilet preparations.....	13,655	22,847
Soaps.....	55,621	61,833	Underwear.....	9,135	5,203
Spirits, wines, and malt liquors:			Varnish.....	11,251	30,604
Alcohol.....	4,730	11	Vessels, steam.....	67,658	.....
Beer, etc.....	1,051	1,118	Wax, paraffin.....	610,626	715,323
Whisky.....	3,008	5,980	Wood:		
Wines.....	24,387	20,185	Oregon pine, fir, and cedar.....		
Other.....	1,009	186	Boards.....	139,535	63,442
Sugar.....	32,471	67,976	Other.....	342,368	280,756
Suspensders.....	3,608	4,064	Other.....	186,180	166,976
Tallow, fats, and oils n. e. s. .	167,469	941,234	Parcels post.....	92,933	116,337
Tan bark.....	9,983	11,011	Traveling effects.....	21,518	17,037
Tarred felt, etc.....	67,736	80,865	All other articles.....	225,607	173,462
			Total.....	40,187,286	38,663,006

TRADE WITH THE PHILIPPINES.

Imports from the Philippines decreased \$266,944 in value in 1908, due largely to a falling off in tobacco, sugar, and hemp. The following table gives the imports, by articles, from the islands in 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Caoutchouc.....	\$2,774	.....	Shells.....	\$1,198	\$873
Copra.....	2,348	\$5	Sugar.....	606,662	497,438
Hemp and cordages:			Tobacco.....	47,618	13,047
Hemp, jute, and ma- nila hemp.....	387,456	280,488	Traveling effects.....	602	436
Rope, etc.....	12,490	1,545	Parcels post.....	41	177
Oil, palm.....	1,854	445	All other articles.....	12,228	12,147
Rattans.....	.....	1,726	Total.....	1,075,271	806,327

Exports to the Philippine Islands increased by \$280,368, the figures being \$1,174,639 in 1908, against \$894,271 in 1907. There is a great variety in the export trade with the Philippines, of which the larger items were potatoes and onions, worth \$241,545, against \$159,469 in 1907; oils and waxes \$11,225, a decrease of about \$4,000; cotton yarns \$194,355, against \$184,331 in 1907; cotton crêpes \$170,873, an increase of \$33,297; manufactures of glass \$14,499, against \$11,887 in 1907; shirtings and sheetings \$68,917, against \$51,052 in 1907; and coal \$35,646, against \$9,762 in the preceding year. Miscellaneous silk goods and the cheaper class of curios go to the Philippines quite extensively, straw braids and straw hats also figuring to a considerable extent.

TRADE WITH HAWAII.

Imports from Hawaii were not important, the value for 1908 being \$6,443, against \$9,621 in 1907, a decline of \$3,178. There were slight increases in the imports of coffee, preserved comestibles, and plants, and decreases in jams, machinery, books, and traveling effects. The item of fruit does not appear in the customs returns, but no doubt considerable quantities of fresh bananas and pine-apples reached Japan from Honolulu, as well as considerably larger quantities of canned goods than the returns show.

The export trade to the Hawaiian Islands is of considerable extent, the value for 1908 having been \$1,583,487, against \$1,727,400 in 1907, a decline of \$143,913. Of the many articles shipped to Honolulu, foodstuffs form a considerable part, intended largely for the Japanese residents of those islands. Alcoholic liquors dropped from \$219,173 to \$165,854, due largely to a falling off in sake exports because of food laws which prevented the use of preservatives. Sake is now being manufactured in Honolulu and the exports from Japan should cease before long. Canned goods exceeded the 1907 exports, but fish generally declined, as did tea, vegetables, and vermicelli, while boots, etc., declined \$20,000. Prepared medicines increased somewhat, sulphur fell off by about half, as did porcelain and earthenware, while cloisonne lost a much greater proportion, although the exports are not large.

The exports of rice fell from \$685,133 to \$67,930; beans and peas also declined, while peanuts showed increased exports. Clocks increased from \$970 to \$1,319, and surgical and other instruments from \$682 to \$1,129, but printing machinery, etc., declined by more than a half. Shipments classed as metal manufactures remained about the same, while oils and waxes increased. The exports of coal dropped from \$2,393 to \$5, the latter evidently a sample. The exports of paper and manufactures of paper remained about the same as in 1907, books and journals being the most important item.

Sugar and sweetmeats declined more than \$2,000. In textiles there was a substantial increase, particularly in habutae and kaiki silks, crêpes, and mixtures. Gassed cotton yarns, however, fell from \$3,270 to nothing. Silk handkerchiefs, lacquer wares, brushes, wooden ware, and matches increased somewhat, while there was a decrease in the exports of straw braids, fans, purses, toys, and umbrellas.

JAPAN'S MERCHANT MARINE—EXPERIMENT FARMS.

Trade dullness during 1908 was felt severely in shipping circles in Japan, and in spite of decreased freight rates many steamers were laid up for lack of cargo. A line to South America has been inaugurated, and this, if maintained, will do much to increase the trade between that continent and Japan. Japan's merchant marine consists of 1,618 steamers of 1,153,340 tons, 4,515 sailing vessels of 372,319 tons, and 1,390 junks and miscellaneous craft of 51,145 tons. Of the 10,330 steamers which during 1908 entered the various ports of Japan, 6,309 were Japanese, 2,264 British, 660 German, 274 Norwegian, 258 American, 171 Russian, and 138 French. In the value of freight carried the United States ranked fourth, with merchandise to the value of \$27,362,631.

The following extracts are taken from the Ninth Financial and Economic Annual issued by the Department of Finance:

Agriculture, being the occupation of more than 60 per cent of the entire population, is the greatest of all Japanese industries. The Government established a state experiment farm in Tokyo, with branches in Kyushu, Chugoku, and Riku-u, with the object of carrying on investigations relative to seeds, diseases, and insect pests, and other matters necessary for the improvement of agricultural products. Two state sericultural training institutes were established, where, in addition to the training of experts in silkworm rearing and filature, experiments are made in connection with these two subjects. Further, at the state experiment farm experiments are conducted relative to the rearing of tea plants, methods of tea manufacture, and economy of tea industry, and they have borne fruit in abundance. Especially is this the case with

the study of tea-manufacturing machinery, which has resulted in the reduction of manual labor, diminution in the cost of production, and improvement in quality.

The revised laws relative to the registration of patents for inventions, utility models, designs, and trade-marks make no discrimination between Japanese and foreigners, and any person who has applied for registration of a patent for an invention, a design, or a trade-mark in a country which is a party to the International Convention for the Protection of Industrial Property is granted in Japan a right of priority, which is valid for 1 year in the case of a patent and for 4 months in the case of a design or a trade-mark. According to the revised laws, the term of a patent is 15 years, which may be extended for a term of not less than 3 years nor more than 10 years; the term of exclusive use is for a design 10 years and for a utility model 3 years, which may be extended for 3 years, while that for a trade-mark is 20 years, which may be further extended. The owners of patents and designs must pay annually progressive fees, while the owners of registered trade-marks and utility models pay only the registration fee at the time of registration.

There were 1,605 families engaged in the camphor industry, the total production of the crude camphor and camphor oil being \$393,397 in 1907. Of mats and matting for export the approximate value was \$5,497,783 for all kinds. The 82 cotton mills in operation in 1907 worked an average of 1,494,627 spindles daily and employed 14,828 male and 61,738 female operatives, whose daily working hours average 12 and whose average daily wages were about 20 cents for the male and 12 cents for the female employees. These 82 mills produced 389,159,592 pounds of cotton yarn, 46,854,471 pounds of waste cotton, and 3,996,988 pounds of waste cotton yarn in 1907. The textile factories produced cotton fabrics valued at \$51,281,560; hemp fabrics, \$2,039,085; silk fabrics, \$45,169,543; silk and cotton mixed, \$10,123,942; obiji (Japanese sashes) of all grades, \$4,198,045; other woven goods, \$1,411,371; making a total production of woven goods for 1907 of approximately \$113,663,706.

AVERAGE WAGES IN JAPAN.

While prices are generally higher in Tokyo and Yokohama than throughout Japan, there have been increases in the wage scales in those cities in almost every occupation, as is shown by the following table of daily wages:

Kind of employment.	Average for 1907, all Japan.	Average for 1908.		Kind of employment.	Average for 1907, all Japan.	Average for 1908.	
		Yoko-hama.	Tokyo.			Yoko-hama.	Tokyo.
AGRICULTURE, ETC.				BUILDING, ETC.			
Farm laborer:				Carpenter.....	\$0.375	\$0.554	\$0.55
Male.....	\$0.18			Plasterer.....	.86	.688	.686
Female.....	.11			Stonecutter.....	.435	.625	.80
Sericulturist:				Sawyer.....	.365	.55	.45
Male.....	.21			Shingle roofer.....	.36	.544	.40
Female.....	.135			Tile roofer.....	.435	.644	.50
Silk spinner (female).....	.135			Bricklayer.....	.48	.619	.675
Gardener.....	.31	\$0.419	\$0.375	Brickmaker.....	.345		.375
Fisherman.....	.235		α 8.00	Shipwright.....	.415	.600	.475
CLOTHING, ETC.				Floor-mat maker.....	.34	.532	.425
Weaver:				Screen and door maker.....	.355	.55	.375
Male.....	.21		.20	Paper hanger.....	.33	.475	.75
Female.....	.12		.15	Cabinetmaker.....	.34	.53	.625
Dyer ^b.....	.21	α 4.43	α 7.50	Cooper ^b.....	.27	.332	.400
Cotton whipper.....	.25		.32	Cartwright.....	.315	.425	.39
Tailor:				Harness maker.....	.325		.55
Japanese dress.....	.26	.35	α 20.00	Lacquerer.....	.295	.225	
Foreign dress—				Founder.....	.285	.381	.30
Cutter.....				Blacksmith.....	.325	.625	.35
Tailor.....	.37	α 15.63	{ 1.75	Potter.....	.275		.325
			.875	MISCELLANEOUS.			
Pouch maker.....	.32	.50	.60	Lacquered juice extractor.....	.245		
Clog maker.....	.26	.325	.275	Oil presser.....	.24		
Shoemaker.....	.29	.59	.35	Paper maker.....	.315		.20
FOOD, ETC.				Compositor.....	.245	.34	.225
Confectioner.....	.18	α 5.25	.75	Printer.....	.92	.325	.365
Tobacco cutter.....	.29		.365	Day laborer.....	.245	.30	.30
Rice pounder ^b.....	.17	.18	.18	Jeweler.....		.50	.35
				Painter.....		.57	.535

α Per month.

β With board.

FORMOSA.

By CONSUL CARL F. DEICHMAN, TAMSUI.

The trade of Formosa as given by the custom-house returns for 1908 showed a remarkable increase over that of either of the two preceding years, notwithstanding that the general industrial conditions in Japan and China, especially Japan, were very slow in recovering from the business depression of 1907. The total value of the exports and imports of Formosa for 1908 amounted to \$35,718,009, which is an increase of \$6,661,089 over 1907, and of \$7,814,940 over 1906. In addition to this, there were exports and imports of gold and silver amounting to \$2,337,680, which should be added to obtain more exact figures as to the volume of trade of the island.

The total value of gold and silver exported amounted to \$877,703, of which \$698,413 was gold and \$179,290 silver. Of the gold, \$692,437 was exported to Japan and was mostly the product of the gold mines of Formosa. The gold exported to foreign countries was gold coin. A small part of the silver exported to Japan is a by-product of the gold mines, but almost all of it is silver yen coins which have been called in by the Government to be recoined into subsidiary coins. The silver exported to foreign countries is practically all coin.

There were imports of \$1,459,977 in gold and silver during 1908, of which amount only \$1,808 was gold from foreign countries and \$89,789 was gold from Japan, consisting principally of coins. The silver imported from foreign countries amounted to \$1,368,380, and was practically all silver yen pieces imported from China and Hongkong when the price of silver was very low, and was imported for speculative purposes. The population of Formosa being practically all Chinese, the silver money is preferred by them to the Japanese bank notes, and the importers of silver made a good profit by exchanging their metallic yen for paper. So large had this importation become that the Government, to prevent the flooding of the colony with silver and to protect its gold-standard bank-note system, was compelled to curtail and then prohibit the importation of silver one-yen coins.

The imports and exports of gold and silver for 1907 and 1908, respectively, are shown in the following table:

	Imports.				Exports.			
	Foreign countries.		Japan.		Foreign countries.		Japan.	
	1907.	1908.	1907.	1908.	1907.	1908.	1907.	1908.
Gold.....	\$1,101	\$1,808	\$338,291	\$89,789	\$12,281	\$5,976	\$907,913	\$692,437
Silver.....	167,968	1,368,380	281,370	.....	116,637	27,938	156,297	151,352
Total.....	169,069	1,370,188	619,661	89,789	128,918	33,914	964,210	843,789

REMARKABLE INCREASE IN IMPORTS.

The imports from other countries than Japan were valued at \$8,503,233, while the imports during 1907 aggregated \$5,587,901,

showing an increase of \$2,915,332. The imports during 1907 and 1908, respectively, by articles, are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beans.....	\$24,255	\$26,727	Porcelain.....	\$77,256	\$84,968
Cotton and manufactures of:			Rice.....	97,635	6,368
Raw.....	31,600	26,499	Textiles, n. e. s.:.....		
Calico.....			China cloth.....	18,194	31,866
Unbleached.....	75,749	84,418	Camlet.....	35,566	35,484
Bleached.....	185,250	196,828	Flax cloth.....	52,768	61,200
Fish, canned.....	28,553	22,253	Semiflax cloth.....	70,754	68,072
Flour.....	92,887	184,153	Satin.....	131,534	156,372
Ginseng.....	61,255	64,073	Tobacco, leaf.....	448,432	238,463
Iron and steel, manufactures of:			Vermicelli.....	21,236	22,858
Machinery, sugar.....	277,085	1,756,724	Wood, and manufactures of:		
Pans.....	55,725	41,837	Lumber.....	6,304	11,660
Rails and fittings.....	187,842	346,531	Timber.....	154,285	230,534
Structural.....	118,553	385,086	Tea boxes.....	53,911	51,855
Lead.....	33,413	23,086	All other articles.....	1,504,140	2,358,851
Matting.....	89,895	129,371	Total.....	5,587,901	8,503,233
Oil, kerosene.....	273,450	406,126	Imports from Japan.....	9,835,722	10,421,576
Oil cake.....	61,382	62,508			
Opium.....	1,133,440	1,138,511	Grand total.....	15,423,623	18,924,809
Paper, China:					
Light.....	78,922	139,119			
Heavy.....	106,630	120,712			

The remarkable increase in imports indicated in the foregoing table was due to the large shipments of machinery for sugar mills, building material, and rails and fittings for cane tramways, etc., in the development of the sugar industry in southern Formosa; also rails, machinery, building material, timber, lumber, etc., for the department of public works of the Formosan government, a large part of which came from the United States. The imports of flour and kerosene from the United States, also opium, calico, Chinese cotton, grasscloth, and paper from China, showed a good increase over 1907. The machinery, building material, rails, etc., came from England, Germany, and the United States, and, with the exception of material and machinery for government work, there will probably be a falling off in the imports of this class of goods during the coming year.

EXPORTS DECLINE SLIGHTLY.

The principal articles of export from Formosa are rice, sugar, tea, and camphor, their relative importance being in the order named. During 1908 the value of rice exported was over \$5,250,000; of sugar, almost \$4,750,000; of tea, over \$2,750,000; and of camphor and camphor oil, over \$2,000,000. Rice and sugar are exported chiefly to Japan, and tea and camphor principally to foreign countries. The total value of merchandise exported to countries other than Japan was \$4,630,353, of which amount the United States took over \$2,000,000 worth, China \$1,500,000, and Hongkong and the United Kingdom \$500,000 each. Compared with 1907, however, there was a decrease of \$220,879, which was due to a large decrease in the exports of camphor, and the increase in the exports of rice and tea was not sufficiently large to offset the heavy decline in camphor.

The exports to countries other than Japan during 1907 and 1908, respectively, are shown, by articles, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Camphor.....	\$1,304,333	\$851,826	Tea:		
Coal.....	55,453	48,515	Oolong.....	\$1,984,349	\$2,050,738
Flax, Chinese.....	279,969	215,687	Powchong.....	581,779	712,925
Fruits.....	95,068	108,976	All other articles.....	411,455	372,365
Oil cake.....	14,844	18,090			
Rice.....	79,621	208,736	Total.....	4,851,232	4,630,353
Seed, sesame.....	16,994	15,083	Exports to Japan.....	8,782,067	12,162,847
Sugar.....	6,890	7,706			
Sulphur.....	20,477	21,696	Grand total.....	13,633,299	16,793,200

The decrease in the exports of camphor from Formosa is primarily due to the handling of this product by the camphor monopoly. The price had been increased to such an extent in the past few years that many camphor-producing districts in Japan and China, which formerly could not be worked at a profit, were again able to produce large quantities which came into competition with the Formosa camphor. For the same reason extensive experiments were made in the manufacture and uses of synthetic camphor, which successfully demonstrated the possibilities of its use in place of the natural product, and it is now being largely used, as it can be made at smaller cost.

IMPORTS AND EXPORTS BY COUNTRIES.

Imports from the United Kingdom showed the remarkable increase of \$1,256,966, the total for 1908 being \$2,131,933, against only \$874,967 in 1907. The United States exported \$505,090 worth more merchandise to Formosa in 1908 than in 1907, and Germany increased its exports thereto by \$471,418. The gain in exports to Japan accounted for practically the entire net gain in exports from Formosa, as an increase in exports to any one foreign country was offset by a decrease in trade with another.

The following table shows the value of the imports into and exports from Formosa, by countries, during 1907 and 1908, respectively:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$635,259	\$1,140,349	\$2,036,880	\$2,269,374
Australia.....	26,915	23,676	8,366	6,890
Belgium.....	65,871	74,517		
British India.....	827,943	650,330		1,419
China.....	2,158,234	2,112,563	1,484,943	1,592,631
Dutch India.....	51,519	54,587	9,329	
France.....	2,415	5,550		100,460
French India.....	107,189	33,649		
Germany.....	140,546	611,964		22,200
Hongkong.....	103,625	83,605	1,036,764	389,138
Japan.....	9,835,722	10,421,576	8,782,067	12,162,847
Korea.....	20,732	24,653	19,624	27,690
Manchuria.....	421	138,969		
Siam.....	21,610	33,836		
United Kingdom.....	874,967	2,131,933	250,869	213,082
All other countries.....	550,655	1,383,032	4,467	7,269
Total.....	15,423,623	18,924,809	13,633,299	16,793,200

COMMERCE AT VARIOUS PORTS.

The port of Tamsui received the larger share of the imports of the year, exclusive of the imports from Japan, but the port of Takao received an aggregate of \$2,781,729, which was a gain of \$2,196,591 over the incoming trade at this port in 1907 and made it a close competitor of the port of Tamsui in volume of commerce with countries other than Japan. The port of Keelung almost doubled the amount of imports received, and other ports showed good gains. The export trade averaged about the same as in 1907. The imports and exports during 1907 and 1908, exclusive of commerce with Japan, were distributed among the various ports of the island as follows:

Ports.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
Tamsui.....	\$3,225,578	\$3,430,761	\$2,012,580	\$1,331,562
Anping.....	969,382	961,670	292,246	291,349
Keelung.....	442,935	876,863	2,263,466	2,568,938
Takao.....	585,138	2,781,729	34,384	29,700
Kyuko.....	59,064	39,211	60,899	30,086
Goro.....	42,294	72,470	55,410	70,910
Gosel.....	63,541	66,481	35,885	57,152
Rokko.....	107,852	125,408	69,940	98,001
Kakoko.....	7,514	.....	6,790	.....
Toseiko.....	42,324	64,552	48,674	55,496
Magyu.....	16,194	17,078	5,878	17,297
Toko.....	36,094	47,010	26,099	47,903
Total.....	5,587,901	8,503,233	4,851,232	4,630,353

TRADE WITH JAPAN.

The total value of merchandise imported from Japan in 1908 was \$10,421,576, and during the preceding year the imports were valued at \$9,835,722, showing an increase of \$585,854, or about 6 per cent, which is an encouraging increase over the preceding year. Imports from Japan during 1907 and 1908, respectively, by articles, are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cement.....	\$238,145	\$411,302	Shoes and clogs.....	\$70,090	\$75,283
Coal.....	53,256	81,496	Soy.....	109,139	125,938
Cotton, manufactures of:			Spirits, wines, and malt		
Cloth.....	1,003,171	1,004,481	liquors:		
Yarn.....	43,122	35,827	Beer, bottled.....	128,180	129,836
Fish:			Sake.....		
Cuttle.....	89,954	89,886	Bottled.....	91,851	119,158
Dried and pickled.....	318,619	665,188	In casks.....	213,451	229,324
Flour.....	275,517	128,244	Sugar:		
Gunny sacks.....	26,666	38,524	Refined.....	196,351	162,086
Iron and steel, and manu-			Lump.....	29,386	52,442
factures of:			Tobacco:		
Iron and steel.....	254,804	213,599	Cut.....	26,169	39,606
Rails and fittings.....	218,575	102,901	Cigarettes.....	199,241	173,649
Other manufactures.....	173,740	148,377	Wood, and manufactures		
Matches.....	181,385	148,018	of:		
Oil, kerosene.....	94,037	85,050	Lumber.....	196,953	216,214
Paper.....	281,004	213,459	Railway ties.....	181,980	238,560
Provisions:			Timber.....	636,694	598,788
Canned goods.....	74,803	73,001	Woolen cloth.....	64,153	47,623
Marine products.....	216,289	246,983	All other articles.....	3,740,116	4,197,539
Pickles, Japanese.....	31,238	39,570			
Rice.....	436,614	291,365	Total.....	9,835,722	10,421,576

The total value of the merchandise exported to Japan showed a phenomenal increase over that of 1907, which is largely due to the heavy exports of rice, this item showing an increase of over \$2,000,000, while sugar increased almost \$1,000,000. The exports for the year aggregated \$12,162,847, a gain of \$3,380,780 in the trade with Japan over that of 1907, or more than 37 per cent. The exports, by articles, during 1907 and 1908, respectively, are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Camphor:			Salt.....	\$79,847	\$72,070
Crude.....	\$472,256	\$250,102	Sugar.....	3,713,047	4,701,309
Oil.....	926,222	1,011,912	Tea, Oolong.....	93,428	78,192
Hats, Formosa.....	54,007	33,064	All other articles.....	346,680	619,228
Hides, raw.....	24,375	19,351			
Ores.....	86,045	333,176	Total.....	8,782,067	12,162,847
Rice.....	2,986,210	5,043,728			

DECLARED EXPORTS TO THE UNITED STATES.

Camphor and Oolong tea were the only articles declared for export to the United States in 1907, and while coal, Formosa hats, and crude sulphur were added in 1908, their shipments were so small as not to balance the heavy decline in the two former items, and a decrease of \$903,756 appears in the total export trade to that country. Exports to the Philippines also declined, as is shown by the following table of declared exports for 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
UNITED STATES.			PHILIPPINES.		
Camphor.....	\$1,263,130	\$524,100	Cabbage.....	\$7,559	\$2,977
Coal.....		553	Cattle.....		6,439
Formosa hats.....		498	Powchong tea.....	7,231	8,787
Oolong tea.....	2,383,261	2,211,558			
Sulphur, crude.....		5,926	Total.....	1,790	14,183
Total.....	3,646,391	2,742,635			

OUTLOOK—BANKING FACILITIES.

The rice crop of 1908 was an unusually large one, and the sugar and tea crops were good. The Government is doing a large amount of construction work, and there is also much private building going on, and all indications point to a prosperous business season in 1909. At present the shipping facilities of Formosa are ample and keep pace with the growth of trade in the island. During 1908, 251 foreign steamers, with a total tonnage of 442,670 tons, entered the various ports, which is an increase of 14 steamers and 67,780 tons over 1907. Japanese steamers numbering 754 entered at the ports of the island, having a tonnage of 1,179,945 tons, a gain of 72 steamers and 120,787 tons over 1907. This large increase is due partly to the liberal subsidies granted by the Government to Japanese steamers, and partly to the increased traffic between Formosa and Japan.

All of the 1,022 foreign sailing vessels entering at the ports of the island in 1908 were Chinese junks engaged in trade between Formosa, the Pescadores, and the China coast, with the exception of two American sailing ships which brought cargoes of lumber and piling from Puget Sound for the port works at Keelung Harbor. There were no Japanese sailing vessels entered at any port of Formosa in 1907, and only one small one of 10 tons in 1908, the Japanese sailing vessels having been replaced by subsidized steamers.

The banking facilities enjoyed by Formosa at present are very good, and ample for the needs of business for some time to come. The Bank of Taiwan (Limited) is the largest, and is prepared to finance large enterprises. It is a quasi government institution. The Thirty-fourth Bank of Japan has a branch here, and is also the representative of the International Banking Corporation of New York. The Hongkong and Shanghai Banking Corporation has a manager here in Daitotei during the tea season. It is also represented in the island by S. Samuel & Co.

All the tradesmen, dealers, and merchants of Formosa, with the exception of the tea exporters and the shipping firms, are either Japanese or Chinese natives. They receive their goods at present through importers in Kobe or Yokohama, Japan, or from Hongkong. The tobacco, salt, camphor, and opium monopolies, the telegraph, telephone, posts, and railways are all owned and operated by the Formosan government, and opportunities in these industries are not open to private enterprise.

KOBE.

By CONSUL JOHN H. SNODGRASS.

In 1908 the foreign trade of Japan fell off about \$56,000,000. Only once before during the last twenty years has the aggregate Japanese foreign trade shown a falling off in comparison with the year previous, that being in 1899, when the decline amounted to \$8,000,000 and was due, according to Japanese authority, to the heavy increase of the previous year in order to escape the new tariff that came into effect with the revision of treaties. The entire Japanese foreign trade for 1908 was valued at about \$405,000,000, against \$461,000,000 in 1907.

However, the trade of Kobe does not show up very badly in comparison with that for the Japanese Empire, the total trade for last year being \$26,444,875 less than in 1907. Of the many articles exported from this port, only rice showed an increase over the previous year, and that increase is insignificant, amounting to only \$231,000. In copper and in cotton yarn exported from Kobe there was a decrease of nearly \$2,000,000 and in the exports of camphor and porcelain there was a falling off of about \$1,500,000 each. Among the greatest sufferers are included the tea traders, the exports showing a decrease of nearly \$500,000, while the straw and chip braid exports declined \$420,000. Though there were many complaints throughout Kobe from match and matting producers, these industries appeared to be but slightly affected. In the exports of steam vessels and supplies from this port there was a decline of \$135,000.

Many reasons have been given by students of finance for the great decrease in business throughout the Empire for the last year, but it is

generally believed that overproduction was the chief cause. Company promoting, which was taken up after the close of the war with Russia, caused a great increase of imports as well as exports. Toward the close of 1907, however, trade turned in the other direction. The fall in the price of silver, the dull state of American and European markets, and the diversion of China's orders to other markets caused the foreign trade of this port to decline to \$137,947,828, which is \$26,444,875 less than last year, \$13,449,901 less than the year before, and \$7,437,930 less than the average of the five preceding years. Compared with last year, the decrease in exports is \$10,713,401; the imports decreased \$15,731,474. The principal articles showing a decrease in exports were cotton yarns, camphor, copper, porcelain, and earthenware; in imports the decreases were principally in ginned cotton, rice, iron, and steel. The exports by months were less than those of corresponding months of the previous year.

DECREASE IN IMPORTS.

The imports increased in the first two or three months, but from April a serious decrease took place, which continued until the end of the year. In the imports of manufactured articles there was an increase of \$645,000, but, on the other hand, there was a decrease of \$11,260,000 in raw materials, \$3,690,000 in manufactured materials, and \$1,940,000 in food supplies. The imports in 1907 and 1908, respectively, at the port of Kobe are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beans:			Leather.....	\$606,804	\$579,725
Soya.....	\$1,667,925	\$1,609,244	Metals, and manufactures		
Other.....	204,547	169,140	of:		
Bicycles and parts.....	622,790	571,990	Lead pigs and ingots..	203,547	225,246
Chemicals, drugs, and			Tin pigs and ingots...	419,668	317,842
medicines:			Zinc—		
Ammonia sulphate...	2,462,011	2,622,088	Pigs and ingots...	126,155	130,264
Potash, chlorate.....	542,703	403,094	Sheets.....	645,775	483,893
Soda—			Milk, condensed.....	525,344	588,673
Ash.....	206,431	269,905	Oil cake.....	3,365,196	3,944,932
Caustic.....	246,374	184,350	Oil, kerosene.....	2,174,221	2,464,578
Cotton, and manufactures			Paints, pigments, and		
of:			dyes:		
Raw—			Aniline dyes.....	780,215	640,688
Ginned.....	40,416,243	29,253,764	Indigo, dry.....	1,866,360	1,571,818
Unginned.....	763,523	737,336	Paper.....	1,375,205	1,141,568
Flannels.....	218,367	68,385	Phosphate rock.....	948,772	897,104
Prints.....	1,036,041	544,151	Phosphorus.....	231,422	176,977
Satins.....	644,525	1,001,474	Pulp.....	460,411	588,728
Shirting—			Rice.....	4,725,571	2,700,303
Gray.....	1,805,511	1,940,163	Seeds, cotton.....	220,275	110,087
White.....	302,049	375,414	Sugar.....	393,038	993,828
Umbrella cloth.....	606,401	496,348	Wax, paraffin.....	494,118	515,044
Yarns.....	285,868	336,969	Wool, and manufactures		
Eggs.....	201,641	289,650	of:		
Flax, hemp, and jute.....	534,361	257,092	Raw.....	1,001,445	1,630,779
Flour, wheat.....	963,666	410,365	Cloths and serges.....	955,219	454,719
Glass.....	510,577	292,624	Cloths and cotton		
Hides.....	361,673	221,861	mixtures.....	1,040,439	746,469
Iron and steel, manufac-			Mousseline de laine..	720,171	1,032,165
tures of:			Yarn.....	762,287	940,041
Bars and rods.....	1,922,225	1,617,183	All other articles.....	17,633,147	16,281,403
Machinery—			Total.....	111,027,499	95,397,778
Locomotives, etc.	374,399	353,374	Reimports.....	244,408	142,655
Other.....	5,439,917	7,519,557			
Nails.....	783,406	661,324	Grand total.....	111,271,907	95,540,433
Pigs and ingots.....	1,204,045	961,420			
Pipes and tubes.....	693,684	373,698			
Plates and sheets.....	2,720,340	1,807,949			
Rails.....	620,898	428,192			
T, angle, etc.....	991,552	415,536			

There was an increase in imports of machinery of about \$2,055,000, kerosene oil \$280,000, cotton satins \$350,000, and mousseline \$305,000, while there was a decrease in woolen cloths of \$800,000, cotton prints \$495,000, paper \$360,000, and glass \$220,000. There was a decrease of \$550,000 in imports of flour, but an increase of \$595,000 in those of sugar. Ginned cotton decreased from \$40,416,243 in 1907 to \$29,253,764 in 1908, thus accounting for the larger part of the total decrease in imports. Rice imports fell off some \$2,000,000, and there were no items showing increases sufficient to offset these heavy losses.

REVIEW OF EXPORTS.

The material decreases in exports were chiefly in cotton yarns, copper, camphor, straw braid, and vegetable wax, while an increase was shown in rape-seed oil and fish oil. Cotton yarn decreased about \$2,325,000, copper \$2,030,000, camphor \$1,480,000, straw braid \$405,000, and vegetable wax \$55,000. The fall in the price of silver, the diversion of orders in North China, and the bad crops in the Choko district in North China are considered additional causes for the decrease in the exports of the Japanese Empire, while the reduction in the demand for camphor is due to the discovery of the synthetic processes of manufacture so successfully operated in Germany.

In spite of the increase of approximately \$110,000 in isinglass and \$230,000 in rice there was a decrease in the exports of food supplies caused by a falling off of \$325,000 in tea, \$175,000 in dried cuttle, and \$55,000 in dried mushrooms. The general decrease in exports of manufactured articles was chiefly in porcelain to the amount of \$140,000, steam vessels \$590,000, towels \$260,000, cotton cloth \$160,000, furs \$180,000, fans \$150,000, and underwear and shirts \$140,000. The lack of demand in America caused the decrease in the exports of porcelain, while the lack of orders from abroad caused a temporary paralysis in the construction of steam vessels. There was an increase of \$350,000 in the demand for sulphate of ammonia, brought about by increased farming activity.

The following table shows the exports for 1907 and 1908, respectively, by articles:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bamboo:			Fans.....	\$449,335	\$300,253
Poles.....	\$187,988	\$175,306	Fish:		
Manufactures of.....	318,292	207,090	Cuttle.....	517,120	332,446
Beer.....	21,068	9,568	Shrimps.....	177,833	110,528
Boards for tea boxes.....	132,193	182,018	Glass.....	325,585	271,418
Braids, straw and chip....	2,193,115	1,792,496	Isinglass.....	363,310	479,678
Brushes.....	553,581	481,045	Lacquered ware.....	192,765	87,971
Buttons.....	267,566	247,593	Lamps, and parts of.....	185,628	139,322
Carpets.....	247,291	155,446	Leather.....	62,480	67,278
Chemicals, drugs, and medicines:			Matches.....	3,517,189	3,467,615
Camphor.....	2,503,375	1,031,705	Matting.....	2,758,147	2,772,968
Camphor oil.....	183,153	106,474	Metals, and manufactures of:		
Menthol crystals.....	74,200	24,202	Antimony.....	39,430	19,427
Peppermint oil.....	82,624	98,083	Bronze.....	92,211	56,663
Cigarettes.....	281,049	146,215	Copper.....	7,878,320	5,875,941
Clocks.....	153,195	75,117	Mineral water.....	111,517	103,901
Cotton, manufactures of:			Mushrooms.....	264,560	206,104
Flannels.....	288,114	143,879	Oils, fish.....	519,797	554,128
Shirting and sheeting..	185,007	78,559	Palm leaves.....	20,266	21,031
Tea cloths.....	10,325	26,589	Paper:		
Towels.....	645,508	387,563	Renshi.....	96,700	46,246
Underwear.....	1,503,697	1,369,077	Other.....	66,329	55,434
Yarns.....	7,773,600	5,478,003	Porcelain and earthenware.	2,535,303	1,145,071
Yarn waste.....	131,565	61,875	Rice.....	1,445,363	1,682,769

Articles.	1907.	1908.	Articles.	1907.	1908.
Sake.....	\$494,790	\$451,908	Umbrellas, European.....	\$301,542	\$245,680
Screens.....	170,904	112,025	Wax, vegetable.....	517,973	464,619
Seaweed.....	140,563	116,536	All other articles.....	9,307,739	8,771,574
Silk waste, kibiso.....	334,785	129,215			
Socks and stockings.....	117,959	113,751	Total.....	52,493,536	41,976,579
Sugar, refined.....	36,815	171,934	Reexports.....	627,270	430,816
Sulphur.....	118,932	34,873			
Tea.....	1,386,495	1,074,120	Grand total.....	53,120,796	42,407,395
Toys.....	214,286	214,264			

IMPORTS AND EXPORTS BY COUNTRIES.

The United States, including Hawaii, took the larger part of the exports, with China ranking second. The United Kingdom led in the matter of imports into Kobe, its imports exceeding those from the United States, the nearest competitor, by almost \$9,000,000. The following comparative statement gives the imports into and exports from Kobe, by countries, during 1907 and 1908, respectively:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$20,026,660	\$16,692,383	\$10,328,510	\$8,612,950
Australia.....	700,914	662,263	912,981	867,536
Austria-Hungary.....	479,355	444,968	336,971	272,452
Belgium.....	3,006,408	1,396,207	464,826	406,769
British America.....	126,496	144,801	741,690	529,843
British India.....	24,380,228	14,960,407	3,012,455	3,236,819
British Straits Settlements.....	1,154,586	1,086,322	1,148,342	980,477
Chile.....	169,736	86,196	4,862	2,961
China.....	11,634,605	10,651,428	14,303,518	9,544,135
Denmark.....	54,478	47,086	30,921	26,481
Dutch India.....	1,273,896	2,000,788	610,660	585,098
Egypt.....	940,548	1,123,097	82,077	159,279
France.....	1,240,569	1,520,339	1,828,796	1,046,609
French Indo-China.....	2,024,917	1,908,278	40,713	87,761
Germany.....	11,166,869	10,701,572	3,406,906	2,055,362
Hawaii.....	2,371	2,035	1,227,858	1,095,571
Hongkong.....	82,624	134,610	7,349,366	5,176,650
Italy.....	217,494	221,005	723,632	462,500
Korea.....	1,590,904	919,474	536,827	599,406
Kwangtung Province.....	1,309,640	1,920,293	718,825	817,162
Mexico.....	469		4,311	659
Netherlands.....	340,328	240,132	85,968	82,454
Norway.....	175,329	128,664	841	820
Peru.....	154,732	559	22,652	6,114
Philippine Islands.....	146,190	82,755	586,299	834,866
Portugal.....	8,139	5,579	3,793	3,391
Russia.....	5,182	24,427	22,536	19,581
Russia, Asiatic.....	453,698	27,454	112,266	37,959
Siam.....	1,008,687	1,028,484	53,782	948,507
Spain.....	44,012	73,519	49,382	52,767
Sweden.....	475,162	413,270	1,183	828
Switzerland.....	713,007	638,481	2,402	3,321
Turkey.....	766	10	10,490	6,624
United Kingdom.....	25,461,747	25,266,335	4,254,333	3,706,431
All other countries.....	400,961	987,312	94,673	162,262
Total.....	111,271,907	95,540,433	53,120,796	42,407,395

TRADE WITH THE UNITED STATES.

While there was a decrease of \$3,334,277 in imports from the United States at the port of Kobe, it was due principally to the state of the cotton trade. There are quite a number of articles which found favor among the Japanese during the year, among these being

condensed milk, salted fish, hats, caps and bonnets, ginseng, plasters, chlorate of potash, carbon blacks, electric machinery, hydraulic presses, ice-making, paper-making, printing, pumping, and sawing machinery, steam engines, turning lathes, telephones, fish plates, pipes and tubes, steel rails, tin plates, door locks, hinges, agricultural implements, material for bridge construction, wrenches, kerosene oil, asbestos, cardboard, printing paper, clocks, gas meters, water meters, hog bristles, bicycles and tricycles, tram cars, pulp for paper manufacture, washing soaps, phosphate of lime, tan bark, and toilet and perfume waters.

Among those showing a decrease were wines, shoes and boots, resin, nitrate of soda, platinum liquids, inks, wheat, gas engines, lifting machinery, sewing machines, lead pipes and tubes, electric wires, iron nails, soaps, tallow and linseed oil, lubricating oil, paraffin wax, turpentine, phonographs, watch cases, locomotives, electric cars, railway cars, lumber, food supplies, guano, and india rubber.

In the following table are given the imports, by articles, from the United States in 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Asbestos mantles.....	\$5,440	\$25,286	Iron and steel, manufactures of—Continued.		
Bones.....	40,534	22,109	Hinges.....	\$10,968	\$12,151
Breadstuffs:			Hydraulic motors and presses.....	2,457	22,217
Flour.....	915,123	382,251	Machinery—		
Wheat.....	999,403	477,910	Drilling and boring.....	38,806	40,061
Other.....	498	553	Electric:		
Caoutchouc and gutta-percha, and manufactures of.....	42,391	16,646	Dynamics and motors.....	73,797	69,148
Cars, carriages, etc., and parts:			Other.....	138,411	178,976
Bicycles and tricycles.....	50,893	34,555	Ice-making.....	21,563	26,472
Car parts, electric.....	161,567	143,401	Lifting.....	35,874	11,276
Cars, tram.....		48,904	Locomotives, etc.....	222,947	181,598
Other.....	12,709	6,387	Milling.....	48,830	19,783
Chemicals, drugs, and medicines:			Paper-making.....	27,478	32,792
Fluorine.....	8,667	12,177	Printing.....	1,054	23,746
Potash.....		10,833	Pumping.....	2,691	51,145
Soda nitrate.....	56,000	7,649	Sawing.....	11,737	19,988
Other.....	16,764	27,000	Sewing.....	112,103	68,003
Clocks, watches, and parts.	26,277	37,254	Other.....	343,129	367,086
Cotton, and manufactures of:			Meters—		
Raw, ginned.....	10,581,240	8,463,826	Gas.....	38,288	65,497
Other.....	5,334	483	Water.....	6,702	24,664
Emery cloth, etc.....	9,465	10,233	Nails, rivets, etc.....	278,236	154,989
Fertilizers:			Pipes and tubes.....	209,836	180,654
Fish guano.....	48,230	25,456	Plates and sheets.....	66,205	27,844
Manures.....	4,854	25,823	Rails.....	118,878	243,241
Superphosphate of lime.....		13,500	Stoves.....	11,156	6,346
Fish, salted and in tins.....	36,389	48,725	Telephones.....	299	23,209
Hair and bristles.....	14,752	23,118	Tinned plates and sheets.....		15,916
Hides and skins.....	13,133	7,579	Tools and implements.....	41,005	59,467
Inks:			Turning lathes.....	32,382	36,929
Lithographing.....	12,204	5,872	Wire—		
Other.....	6,816	4,352	Electric.....	29,576	25,664
Instruments:			Galvanized.....	48,147	32,522
Surgical.....	32,871	9,828	Other.....	49,301	23,140
Other.....	4,929	8,232	Leather:		
Iron and steel, manufactures of:			Dyed or colored.....	12,602	2,819
Bars and rods.....	11,874	29,659	Sheep and goat.....	15,902	2,133
Blooms, pigs, etc.....	3,840	38,142	Sole.....	180,416	155,942
Bollers, steam.....	22,669	16,030	Other.....	12,731	16,967
Bridge construction, etc.....	63,854	356,038	Metals, and manufactures of:		
Engines—			Lead—		
Gas, etc.....	14,082	6,102	Pigs, etc.....	108,593	5,197
Steam.....	110,966	123,946	Plates, etc.....	5,562	6,335
Turbine.....	75,865	22,012	Tin foil.....		12,063
Fish plates.....	7,154	28,096	Other.....	62,516	45,554
Galvanized sheets.....	79,610	210,924	Oils:		
			Illuminating.....	3,883	24,240
			Kerosene.....	1,470,278	1,706,263

Articles.	1907.	1908.	Articles.	1907.	1908.
Oils—Continued.			Resin.....	\$106,210	\$86,267
Linseed.....	\$26,946	\$4,057	Soaps.....	12,467	15,910
Lubricating.....	167,448	20,678	Tallow, lard and animal fats:		
Mineral colza.....	7,319	29,384	Beef.....	35,170	26,281
Turpentine.....	12,555	10,714	Other.....	4,112	10,394
Other.....	2,690	15,138	Tan bark.....	10,094	18,261
Ores and minerals.....	9,105	12,092	Tarred felt.....	32,464	41,446
Packing for engines.....	17,096	7,376	Tissues, and manufac-		
Paints, pigments, and dyes:			tures of.....	16,910	13,083
Carbon blacks.....	6,489	16,341	Tobacco.....	62,460	20,364
Gold, silver, and plat-			Wax, paraffin.....	875,877	368,071
inum.....	30,865	12,048	Wood, and manufactures of:		
Other.....	3,374	10,702	Oregon pine, fir, and		
Paper, and manufactures			cedar.....	211,985	127,444
of:			Wood pulp.....	12,236	43,335
Cardboard.....	8,293	32,655	Other.....	4,151	3,371
Printing.....	18,472	51,465	All other articles.....	598,174	531,782
Other.....	14,880	17,064			
Pencils.....	10,968	24,247	Total.....	\$20,026,660	16,692,383
Provisions:					
Milk, condensed.....	322,827	339,769			
Other comestibles.....	27,787	27,301			

* This total is \$818,432 in excess of the figures given for 1907 in the report from this same district last year.

There was a decrease of about \$63,000 in the amount of imports from the Philippine Islands. Flax, hemp, jute, etc., dropped from \$106,380 in 1907 to \$61,715 in 1908; sugar from \$24,205 to \$3,402, and other articles from \$15,605 to \$12,638. The imports from Hawaii amounted to only \$2,035.

DECLARED EXPORTS TO THE UNITED STATES.

Straw matting continues to be the chief item of export from the port of Kobe to the United States, although there was a decline of nearly \$300,000 in shipments during 1908. Tea gained \$230,000, earthenware and porcelain fell off \$500,000, while shipments of metals increased largely. The declared value of exports, by articles, for 1907 and 1908, respectively, is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bamboo, and manufac-			Mineral water.....	\$7,458	\$10,207
tures of:			Paper, and manufactures		
Manufactures.....	\$196,421	\$152,682	of:		
Poles.....	72,200	66,057	Copying.....	11,422	6,346
Brads, straw.....	313,670	442,043	Other.....	138,680	68,421
Brushes.....	408,447	447,287	Peppermint crystal and oil.	12,605	2,367
Camphor and camphor oil.	125,483	194,953	Personal effects, etc.....	16,312	16,800
Carpets and rugs.....	28,276	46,243	Rice.....	867,567	950,882
Cotton, and manufactures			Sake.....	206,485	220,546
of.....	82,829	94,013	Screens.....	13,692	12,946
Curios.....	238,626	22,733	Silk goods.....	49,183	45,539
Earthenware and porce-			Sulphur.....	49,241	15,254
lain.....	1,275,375	723,196	Tea.....	1,430,794	1,664,300
Fans.....	100,228	75,831	Toys.....	117,337	91,119
Fruits and nuts:			Vegetables and provisions:		
Oranges, fresh.....	14,976		Chillies.....	27,804	22,493
Peanuts.....	175,409	50,119	Pickles, sauces, and		
Gut string.....	23,816	27,897	spices.....	2,605	6,451
Isinglass.....	21,388	24,302	Other comestibles.....	419,436	827,262
Matting, straw.....	2,667,405	2,375,735	Wax, vegetable.....	126,094	119,562
Metals, and manufactures			All other articles.....	189,044	139,361
of:					
Antimony.....		14,115	Total.....	9,875,852	9,708,521
Other metals.....	408,894	1,162,473			
Metal ware.....	35,650	68,986			

The exports from Kobe to Hawaii included in the preceding table amounted to \$1,095,570, the chief items being: Bamboo and wooden ware, \$16,373; cotton and cotton goods, \$39,081; rice, \$664,232; sake, \$125,710; and vegetables and provisions, \$174,652.

Trade with the Philippines, while showing a marked falling off in imports, increased by \$230,000 in exports from Kobe, cotton and cotton goods forming the largest single item, with vegetables and provisions second. The chief articles exported from Kobe to the Philippine Islands are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bamboo and wooden ware....	\$23,583	\$16,617	Mineral water.....	\$29,500	\$32,531
Braids, straw and chip.....	18,747	24,530	Paper, and manufactures of:		
Brushes.....	1,387	1,801	Copying.....	3,250	472
Camphor and camphor oil.....	2,505	1,142	Other.....	4,080	9,496
Cotton, and manufactures of....	311,467	498,748	Sake.....	1,144	66
Curios.....	4,266	2,505	Silk goods.....	17,210	8,356
Earthenware and porcelain....	4,429	5,465	Sulphur.....	1,505	4,378
Fans.....		11,001	Tea.....	1,401	389
Isinglass.....	2,041	942	Toys.....	2,558	5,167
Leather and leather ware.....	12,007	17,076	Vegetables and provisions....	79,510	103,512
Matches.....	14,357	10,614	Wax, vegetable.....	11,067	12,492
Matting, straw.....	1,661	1,741	All other articles.....	35,050	57,265
Metals, and manufactures of:			Total.....	603,925	834,866
Metals.....	1,948				
Metal ware.....	19,252	8,560			

TRADE WITH THE UNITED KINGDOM.

The total trade with the United Kingdom amounted to \$28,975,766, a loss from the previous year of \$740,314, \$195,412 of this loss being in imports and \$544,902 exports. The chief articles imported into Kobe from the United Kingdom during 1907 and 1908, respectively, are shown in the following comparative table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cars, carriages, etc.:			Iron and steel, manufac-		
Bicycles and tricycles....	\$534,669	\$523,258	tures of—		
Cars, railway.....	81,168	26,796	Anchors and chains....	\$60,876	\$44,967
Chemicals, drugs, and medi-			Bars and rods:		
cines:			Iron.....	247,282	148,843
Ammonia sulphate.....	2,426,821	2,708,277	Steel.....	269,313	149,371
Potash, chlorate of.....	225,949	214,411	Galvanized sheets.....	572,970	765,517
Soda—			Machinery—		
Ash.....	205,592	209,890	Boilers and en-		
Bicarbonate.....	70,124	61,972	gines.....	406,379	638,010
Caustic.....	245,932	169,491	Drilling and bor-		
Cotton, manufactures of:			ing.....	166,423	159,346
Flannels.....	86,600	27,975	Electric.....	84,500	28,022
Prints.....	961,156	503,946	Lifting.....	225,852	190,972
Satin and italians.....	618,729	952,181	Sawing.....	39,302	27,495
Shirting and sheeting—			Spinning, cotton....	1,087,653	2,066,096
Gray.....	1,802,978	1,940,163	Weaving, cotton....	113,661	405,500
White.....	293,978	370,079	Pens.....	35,801	30,844
Thread.....	92,050	118,998	Pigs and ingots.....	968,567	966,210
Umbrella cloth.....	566,659	441,454	Pipes and tubes.....	392,132	152,727
Velvets and plushes.....	168,216	233,757	Plates and sheets.....	1,289,668	571,146
Victoria lawns.....	53,848	47,723	Rails.....	35,916	63,048
Yarns.....	113,897	293,242	Rivets.....	69,597	34,465
Other tissues.....	190,666	133,228	Screws, bolts, etc.....	33,180	32,503
Dynamite.....	73,466	86,587	Structural.....	163,807	108,681
Elastic canvas.....	30,884	63,642	T, angle, etc.....	672,633	215,061
Fish guano.....	279,061	180,763	Tinned plates or sheets.	380,762	98,516
Handkerchiefs.....	35,394	64,804	Tools and implements....	49,123	26,808
Hats, caps, and bonnets....	113,706	170,408	Turning lathes.....	173,282	186,164

Articles.	1907.	1908.	Articles.	1907.	1908.
Leather, roller.....	\$62,283	\$59,612	Wool, and manufactures		
Linen yarns.....	92,939	94,127	of:		
Metals, and manufactures			Raw.....	\$271,519	\$386,555
of:			Alpacas.....	33,706	31,468
Copper pipes and			Cashmeres.....	38,870	68,336
tubes.....	59,423	109,385	Cloths and serges.....	819,413	936,934
Lead plates, etc.....	74,253	30,200	Flannels.....	49,143	30,791
Nickel blocks, etc.....	134,709	372,442	Italians.....	67,523	128,322
Zinc sheets.....	94,644	102,090	Mixed tissues, cotton		
Milk, condensed.....	172,317	185,631	and wool.....	328,875	122,939
Paints, pigments, and dyes.....	126,973	106,137	Mousseline de laine.....	41,500	50,649
Paper, printing.....	100,795	102,525	All other articles.....	5,813,537	5,251,826
Velvets and plushes.....	61,113	93,225	Total.....	25,461,747	25,266,335
Vessels, steam.....	96,634	26,849			
Wire, electric.....	87,658	73,067			

Although the exports to British India remained about stationary, the imports from that country declined over \$9,000,000, there being a loss of more than \$7,000,000 in the amount of ginned cotton imported, as is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cotton:			Leather, sheep or goat.....	\$64,484	\$149,398
Ginned.....	\$21,583,840	\$14,018,184	Rice and paddy.....	1,652,162	319,360
Unginned.....	116,150	202,431	All other articles.....	439,661	27,623
Fertilizers.....	213,140	116,033	Total.....	24,380,228	14,960,407
Gunny bags.....	26,505	26,668			
Hemp, jute, and manila					
hemp.....	284,286	100,710			

TRADE WITH CHINA.

With a decrease of \$1,283,177 in imports from and a loss of \$4,759,383 in exports to China, there was a total decline in trade between that country and the port of Kobe of \$6,042,560. While there were substantial gains in imports of soya beans and bean oil cake and raw silk, these could not offset the loss of more than \$1,700,000 in ginned cotton and a general decrease in all the principal items of commerce between the two countries. A summary of the imports from China is as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beans:			Seeds:		
Soya.....	\$263,845	\$674,606	Cotton.....	\$220,096	\$110,080
Other.....	103,024	73,854	Rape.....	99,817	48,606
Cotton, raw, ginned.....	6,814,261	5,061,012	Sesame.....	57,069	97,411
Eggs, fresh.....	201,640	589,649	Silk:		
Fishing gut.....	45,513	65,953	Cocoons.....	78,182	47,608
Hemp, jute, and manila			Raw.....	93,705	197,744
hemp.....	97,698	88,818	Vermillion.....	31,152	31,659
Hides and skins.....	104,613	63,243	Wool.....	304,404	83,013
Mats, packing.....	46,425	46,307	All other articles.....	927,122	366,643
Oil cake:			Total.....	11,934,605	10,651,428
Bean.....	1,795,283	2,368,791	Kwangtung Province.....	1,309,640	1,920,293
Cotton-seed.....	280,170	347,144	Grand total.....	13,244,245	12,571,721
Rape-seed.....	361,656	254,192			

In exports, vegetable isinglass, fish of various kinds, machinery and parts, matches and match sticks, mouthpieces for cigarettes, torinoko paper, and sake showed small increases, but they could not counter-balance such heavy losses as the drop in copper from \$1,050,572 in 1907 to \$132,257 in 1908, a loss of almost \$2,000,000 in cotton yarns, and decreased shipments of almost every other article in the list of exports.

TRADE WITH GERMANY.

Trade with Germany in 1908 fell off \$1,815,850, as compared with the total imports and exports for that country in 1907, \$465,297 of this loss being in imports and \$1,350,553 in exports. Imports of artificial indigo reached a total of \$1,557,675, a loss of \$261,758 as compared with the previous year, and this was the largest single item of trade between Kobe and Germany. The following table shows the imports from Germany into Kobe, by articles, in 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Belting and hose.....	\$38,280	\$36,735	Metals, and manufactures of:		
Blankets.....	69,302	305,133	Aluminum.....	\$200,725	\$45,061
Caoutchouc.....	34,782	51,084	Zinc—		
Celluloid.....	77,910	119,304	Blocks, etc.....	84,591	160,178
Chemicals, drugs, and medicines:			Plates or sheets....	457,232	354,119
Acids.....	88,647	96,961	Oils, volatile and essential..	50,102	80,017
Antifebrin.....	44,516	55,877	Paints, pigments, and dyes:		
Potash.....	746,202	45,592	Aniline dyes.....	635,208	536,157
Cotton, manufactures of:			Gold, silver, and platinum.....	47,485	34,838
Flannels.....	80,890	31,416	Indigo, artificial.....	1,819,433	1,557,675
Cotton and wool mixtures.....	75,156	79,836	Paper:		
Dynamite.....	114,528	37,321	Fancy.....	83,375	60,730
Fertilizers.....	127,455	156,271	Match.....	100,391	62,716
Glue.....	30,532	37,851	Packing.....	45,193	33,226
Iron and steel, manufactures of:			Printing.....	89,214	40,356
Bars and rods.....	578,183	962,061	Pulp for paper.....	312,400	453,883
Galvanized wire.....	283,634	290,561	Wool, and manufactures of:		
Machinery.....	32,089	39,254	Raw.....	58,979	173,504
Nails.....	549,853	548,636	Cloths and serges.....	111,918	66,403
Pigs, ingots, etc.....	32,564	104,335	Flannels.....	57,883	44,788
Plates and sheets.....	155,448	207,410	Mousselin de laine.....	85,964	271,721
Rails.....	373,002	118,480	Yarn.....	175,428	491,825
T, angle, etc.....	93,020	52,773	All other articles.....	2,649,065	2,613,904
Wire and small rods...	149,164	73,085			
Malt.....	31,117	27,866	Total.....	11,166,869	10,701,572

French India supplied Kobe with raw cotton to the value of \$711,440 and rice and paddy amounting to \$1,134,404; Dutch India supplied raw cotton worth \$233,619, and Belgium, iron and steel manufactures worth \$572,351. The remaining imports from these and other countries were composed of a variety of articles in lesser quantities.

KOBÉ'S COMMERCIAL STRENGTH.

Kobe has 53 limited joint stock companies whose total authorized capital is \$15,188,487, paid-up capital, \$8,344,542; reserve fund, \$1,247,388; 89 joint stock companies, unlimited, with authorized capital of \$1,548,150, paid-up capital, \$1,220,046, reserve fund, \$62,326; and 41 limited partnerships, with authorized capital of \$1,236,350, paid-up capital, \$1,213,375, reserve fund, \$242,007. The combined capital of the railroad companies of the Kobe consular district amounts to \$17,230,900, with 263 miles of trackage. Insurance companies in the district have a combined authorized capital of \$4,283,400; electric and gas companies, \$18,725,000; steamship companies, \$13,725,000; stock exchange, \$5,275,000; miscellaneous companies, \$33,721,000.

Shipbuilding engages the larger part of the laboring population of the city of Kobe, the 5 yards employing 11,438 workmen. Six match factories employ 2,025 hands, and 1 spinning mill has 3,166 operatives. The following table shows the authorized capital of the various cotton-spinning mills throughout this consular district and the number of spindles in operation.

Mills.	Capital.	Spindles.	Mills.	Capital.	Spindles.
		<i>Number.</i>			<i>Number.</i>
Hyogo.....	\$7,447,968	263,678	Sakai.....	\$298,800	23,808
Kyoto.....	3,423,750	102,000	Wakayama.....	448,200	28,872
Miye.....	4,780,800	215,052			
Okayama.....	298,800	59,800	Total.....	23,726,668	1,121,328
Osaka.....	7,028,330	428,118			

Of the students enrolled in the schools of the city of Kobe, 22,237 are pupils of the elementary schools, 7,644 are taking higher courses, 381 are commercial students, and 182 are enrolled in the technical school. The total foreign population of the city is 3,549; 2,448 males and 1,101 females, of whom 2,165 are Chinese, 569 British, 244 German, and 209 American.

The deposits in the post-office savings banks in the various prefectures of this consular district during 1908 amounted to \$8,974,900, with withdrawals amounting to \$2,208,300. Regular banking transactions were as follows: Deposits, \$309,609,947; loans, \$60,561,825; bills discounted, \$234,930,283; bills of collection, \$34,175,825; drafts remitted, \$117,156,898; drafts paid or collected, \$71,790,262. Telephone business throughout the district totaled 99,171,736 calls during the year, yielding a revenue of \$612,310.

SUBPORTS AND SHIPPING.

The 2,454 vessels entering the port of Kobe during 1908 had an aggregate tonnage of 5,321,755 tons, and of this number 1,476 flew the Japanese ensign, 602 were British, 140 German, 82 American, and 74 French. There were 486 vessels that entered the subports of the district exclusive of the port of Osaka, having a tonnage of 754,999 tons, as compared with 339 vessels of 413,858 tons in 1907. The trade of six other open ports of this consular district, exclusive of Osaka, for the last two years is shown in the following table:

Port.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
Yokkaichi.....	\$4,013,306	\$3,563,871	\$1,802,427	\$1,346,338
Nagoya.....	66,092	363,827	32,677	852,965
Tsuruga.....	443,762	776,266	943,668	1,695,732
Fushiki.....	1,861	78,664	20,082	58,983
Nanai.....	52	608	3,829	48,692
Taketoyo.....	1,443,203	1,628,689	11,919	43,064
Total.....	5,968,276	6,411,825	2,814,502	4,047,734

The various factories and mills of the city of Yokkaichi, in this consular district, produced during 1908 cotton yarn to the value of \$1,249,647; cotton cloth, \$698,404; cleaned rice, \$424,684; Japanese wine, \$6,824; oil and oil cake, \$254,847; and tobacco, \$184,706. There are 3,375 pupils enrolled in its schools; 162 vessels, with a tonnage of 400,655 tons, entered its harbor. Its joint stock companies and partnerships have a fixed capital of \$6,016,850.

Kyoto has 28 establishments using steam power, and two electric companies, the combined income of the latter for the year being \$272,240. The total deposits in its banks in 1908 were \$16,836,413; 42,006 pupils were enrolled in its schools.

The city of Nagoya had 178 companies and partnerships with an authorized capital of \$14,119,575. Its 476 factories of various kinds employed 17,076 workmen. The deposits in the post-office savings banks averaged \$1.32 per resident.

Work was commenced in April, 1907, on extensive improvements to the harbor of Kobe, and it is not expected that they will be entirely finished until 1917. The extent of the work is as follows: Area of reclamation, 66.2 acres; available length of quay walls, 8,400 feet; length of landing stages, 990 feet; length of sea wall as breakwater, 2,130 feet; area of sheds, 71,080 square yards; length of railway, 11 miles; length of roadway, 18,000 feet; depth of water, 27 to 36 feet below low-water level. There will also be constructed a bridge connecting with the shore, and 59 cranes will be installed to facilitate loading and unloading of cargoes. The estimated total expenditure will be \$8,549,704, of which Kobe pays one-fourth.

OSAKA.

By CONSUL JOHN H. SNODGRASS, KOBE.

With total imports amounting to \$13,435,442 and exports to \$22,974,172, the foreign trade of the port of Osaka decreased \$10,636,061 in comparison with 1907, when the imports amounted to \$17,146,947 and the exports to \$29,898,718. Imports of ginned cotton decreased \$1,344,149, and the \$181,347 gain shown in imports of raw sugar merely offset an equal loss in rice and paddy. Exports of copper declined from \$2,685,806 in 1907 to \$648,610 in 1908; and while cotton drills rose from \$669,853 to \$1,051,278, this was the only substantial gain in the list of exports.

The following statement gives the imports into Osaka, by articles, during 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beans.....	\$554,376	\$672,604	Hides and skins.....	\$453,628	\$281,560
Bicycles and parts.....	65,280	144,262	Iron and steel, manufac- tures of:		
Bones.....	78,545	46,948	Bars, rods, and plates..	46,203	20,126
Braids, straw.....	49,779	32,032	Machinery.....	112,095	86,338
Cotton, and manufactures of:			Pigs and ingots.....	67,663	319,259
Ginned.....	4,300,643	2,965,494	Lacquer.....	116,943	215,964
Unginned.....	34,177	33,571	Metals, and manufactures of:		
Satin and italians.....	50,619	27,474	Antimony.....	27,645	28,895
Shirting and sheeting.....	67,947	10,854	Copper pigs, etc.....	27,314	83,901
Velvets and plushes.....	37,180	10,876	Oil cake.....	161,089	17,377
Earthenware, porcelain, glass, etc.....	55,205	94,347	Paper.....	262,477	2,622,363
Hemp and Chinese grass....	436,994	283,868	Rice and paddy.....	2,801,286	

Articles.	1907.	1908.	Articles.	1907.	1908.
Seeds, cotton.....	\$97,349	\$42,832	Wool, and manufactures of:		
Silk, manufactures of:			Raw.....	\$867,950	\$22,491
Umbrella cloth.....	37,189	125,199	Cloths and serges.....	57,167	46,938
Velvets and plushes.....	28,808	3,809	Yarn.....	81,299	14,895
Yarn, tussah.....	655,976	244,263	All other articles.....	3,041,380	2,190,240
Sugar:			Total.....	16,934,610	13,307,000
Raw.....	1,619,530	1,800,877	Reimports.....	212,337	128,442
Refined.....	418,757	636,998	Grand total.....	17,146,957	13,435,442
Vessels, steam.....	56,772	91,671			
Wax, vegetable.....	133,891	81,233			
Wood.....	73,435	26,633			

EXPORTS BY ARTICLES.

The heavy drop in exports of copper, a falling off of more than \$1,000,000 in yarn shipments, and declines of 25 to 50 per cent in many other items, caused a total decrease of \$6,924,546 in exports from Osaka, as is shown in the following comparative table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bags, sacks, etc.....	\$87,135	\$58,099	Isinglass, vegetable.....	\$41,627	\$70,566
Beer.....	425,000	229,424	Lacquered ware.....	82,928	26,524
Brushes.....	34,357	34,324	Lamps and parts.....	158,672	14,731
Buttons.....	130,266	90,707	Leather.....	55,846	42,051
Cigarettes.....	41,397	39,359	Matches.....	1,115,469	1,225,388
Clocks.....	70,063	73,364	Medicines, prepared.....	145,276	105,129
Clothing.....	174,914	71,649	Oils, fats, and waxes.....	153,089	502,123
Comestibles in cans and bottles.....	155,969	123,397	Paper, and manufactures of:		
Copper.....	2,685,806	648,610	Renshi.....	298,047	164,325
Cords and braids.....	30,200	38,983	Other.....	345,534	313,482
Cotton, and manufactures of:			Manufactures of.....	181,580	223,195
Gassed.....	22,900	18,719	Pea cheese.....	38,757	35,611
Blankets.....	75,327	40,105	Ropes, bags, and mats.....	439,599	358,544
Drills.....	669,853	1,051,278	Sake.....	950,602	866,584
Flannels.....	79,038	68,867	Seaweed.....	128,748	110,195
Shirting and sheeting—			Shoes, etc.....	231,251	164,751
Gray.....	2,264,748	1,781,874	Silk, manufactures of:		
Twilled.....	62,415	71,920	Silk-faced cottonsatins.....	286,665	153,472
Tea cloths.....	377,316	335,856	Silk tissues and cotton mixtures.....	147,806	125,690
Tissues, white.....	885,108	619,624	Soap, toilet.....	243,194	235,940
Towels.....	367,986	224,251	Socks and stockings.....	94,994	84,167
Underwear.....	298,479	155,189	Soy.....	108,485	96,998
Wadding.....	190,337	238,169	Sugar, refined.....	337,345	487,585
Yarn.....	4,446,902	3,455,514	Tea.....	125,036	52,430
Earthenware and porcelain.....	391,062	163,723	Toilet articles.....	178,310	149,895
Fish, dried and salted.....	25,692	53,547	Umbrellas, European.....	395,726	419,364
Glass manufactures.....	516,551	134,666	Vegetables, etc.....	287,113	155,125
Gloves.....	49,620	59,996	Wood.....	594,236	365,768
Hats, caps, and bonnets.....	94,994	118,911	All other articles.....	5,546,116	5,123,327
Iron and steel, manufactures of:			Total.....	28,618,474	22,575,284
Machinery—			Reexports.....	1,280,244	398,888
Cotton gins.....	142,485	85,087	Grand total.....	29,898,718	22,974,172
Other.....	594,236	361,187			
Pans and rice kettles.....	108,082	120,847			
Other.....	408,165	325,080			

IMPORTS AND EXPORTS BY COUNTRIES.

Commerce with China showed the most marked change from that of the previous year, the total imports from that country amounting to \$2,755,642, as compared with \$5,021,412 in 1907, and exports aggregating \$13,865,214, against \$18,787,551. Imports from the United States and Korea fell off, as did those from practically every other country. Exports to the United Kingdom, Australia, Belgium,

Hongkong, and Germany increased, but not sufficiently to cause the aggregate to equal the figures for 1907. The following table gives the total imports into and exports from the port of Osaka, by countries, in 1907 and 1908, respectively:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$218,934	\$154,599	\$98,234	\$38,927
Australia.....	672	219	27,299	110,596
Belgium.....	190,868	124,444	2,266	64,996
British India and Straits Settlements.....	2,382,708	2,037,691	356,182	280,023
China.....	5,021,412	2,755,642	18,787,651	13,865,214
Dutch India.....	1,778,590	2,237,919	57,363	66,325
France.....	810,112	146,447	249	.....
Germany.....	426,958	280,706	26,481	87,554
Hongkong.....	59,958	32,594	281,451	416,374
Korea.....	4,228,511	3,837,572	9,797,633	7,419,680
Russia, Asiatic.....	2,556	148	307,080	15,386
Switzerland.....	49,856	9,854	.....	.....
United Kingdom.....	1,458,907	1,322,707	127,080	637,832
Other countries.....	519,906	494,900	29,809	41,266
Total.....	17,146,947	13,435,442	29,898,718	22,974,172

OSAKA'S FOREIGN MAIL—RAIL AND WATER TRAFFIC.

Incoming and outgoing foreign mail numbering 51,344,790 pieces was handled by the various post-offices of the district, the share of the United States was 2,815,276 incoming and 2,632,022 outgoing pieces, China, 2,847,355 incoming and 4,458,495 outgoing, the United Kingdom, 1,032,276 incoming and 474,848 outgoing, and Korea, 15,592,335, and 17,303,078 pieces, respectively. Foreign cablegrams numbered 702,954 received and 590,091 despatched, the United States sending 25,672 of this number and receiving 23,485.

The trade of the subports Hamada, Itosaki, Miyadzu, and Sakai amounted to \$718,950 in imports, as compared with \$513,336 in 1907, and \$249,677 in exports as compared with \$395,590 for 1907. Merchandise to the value of \$4,165,204 was stored in the private bonded warehouses of Osaka and other cities of the Kobe consular district, and \$4,588,464 of bonded merchandise withdrawn during the year.

Osaka has 9 miles of municipal electric railway, which carried 31,207,182 passengers whose fares aggregated \$540,000. Eighty-three river boats conveyed 7,721,594 passengers, yielding an income of \$159,335. Passengers numbering 450,551 entered Osaka by steamer, and 425,475 left by this route. There were 471 vessels that entered the port of Osaka during 1908, their total tonnage being 399,292 tons, and of this number only 7 of 3,871 tons were American. Duties collected at the port of Osaka aggregated \$3,063,492, and of this amount \$1,671,155 was customs duties, \$3,308 tonnage dues, and \$1,386,999 miscellaneous. Gold coin and bullion exports in 1908 from Osaka amounted to \$88,266, with silver coin and bullion to the amount of \$3,295. Imports of gold coin and bullion aggregated \$1,199,472 and of silver \$135,826, the excess of imports over exports being \$1,243,737 for both metals.

OSAKA A MANUFACTURING CENTER.

The extensive manufacturing industries of Osaka are shown in detail in the following table, which also gives a total of \$89,540,378 as the value of the annual output:

Industry.	Estab- lish- ments.	Employees.		Value of products.
		Male.	Female.	
Spinning.....	10	2,204	10,026	\$12,662,865
Metal forging.....	45	1,499	176	17,433,546
Weaving.....	74	2,117	7,479	3,270,080
Iron manufacture.....	546	2,799	71	4,392,426
Metal manufacture.....	249	1,470	421	2,141,822
Printing.....	140	1,212	166	2,349,813
Knitting.....	148	493	636	2,276,078
Leather-making.....	45	1,580	752	4,824,194
Shipbuilding.....	51	4,345	79	2,286,766
Matches.....	45	1,911	3,896	2,824,157
Glassware.....	98	1,227	174	2,652,020
Artificial manures.....	6	462	62	1,989,861
Other.....	4,107	4,630	6,050	30,506,750
Total.....	5,664	33,039	29,978	89,540,378

The authorized capital of the companies and partnerships other than banks in Osaka is \$35,148,233. The total authorized capital of its 29 banks is \$17,812,500, of which \$13,573,750 has been paid in. Bank deposits were \$1,817,723 during the year. There are 600 Chinese included in the total foreign population of 723 in Osaka, with 42 Americans, 24 British, 19 French, and 11 Germans. Pupils enrolled in the schools of the city numbered 88,570, of whom 57,526 took the ordinary elementary course, 20,232 the higher course, and 2,162 the technical course.

HARBOR IMPROVEMENTS COMPLETED.

An official report gives the following résumé of the work performed in improving the harbor at Osaka:

The length of the south jetty is 4,876 yards and projects into the sea to a point where the water is 28 feet deep at low tide. The interior of this jetty is made of stones weighing from 160 to 480 pounds each; outside these are covered with a double layer of large stones weighing one ton each on an average, and the extreme outside is covered with blocks of concrete each weighing 8 tons. The distance between the jetties at the bottom of the sea is 206 yards. This work was commenced in January, 1899, and completed in July, 1905. Material used for this work was: Large stones, 483,028 cubic yards; smaller stones, 492,564 cubic yards, and blocks, 44,179 pieces.

Work on the north jetty was begun at a point 1,300 yards southwest of the Tempozan light-house. Its length is 3,038 yards, and its construction is practically the same as that of the south jetty. The work was begun in October, 1900, and completed in July, 1905. The material used included 403,852 cubic yards of large stones, 416,688 cubic yards of stones of smaller size, and 8,413 blocks of concrete.

Six dredging boats were used in moving 14,336,200 cubic yards of earth, 10,881,236 cubic yards from within the line of the jetties and the balance from the Aji River, the dirt dredged being used in reclaiming land. The work of reclamation was begun in June, 1899, at Tempozan light-house and south of the Aji River, the total amount reclaimed being 798,630 square yards. The work of reclamation in the inner harbor is still going on.

The iron landing pier in the outer harbor accommodates steamers of 8,000 tons, the depth of the water being 28 feet. This pier is situated about 2 miles from the city and is connected with it by an electric tramway for passengers. The Government is now building a freight line to connect the pier with central lines of railroad, and this

work is expected to be finished this year. The harbor is dredged to a depth of 28 feet and is used only by steamers of the North China and Korean lines. War vessels generally stay at No. 1 and No. 2 buoys. At the mouth of the Aji River, opposite Tempson light-house, there are two small piers, taking steamers of 4,000 tons. These piers are connected by railroad with the Central Railway lines. At these landing piers there are six warehouse of 3,168 square yards each, owned by the city and rented to private companies. Some of the reclaimed land along the electric car line is rented for godowns, shops, etc., at the rate of from 1½ to 5 cents per 36 square feet per month under a five-year lease.

The expenditures on the harbor improvements aggregate \$11,245,200, of which sum \$8,519,000 was raised by bonds issued by the city, \$989,000 by selling seaside land, \$936,000 by a subsidy from the Government, and \$801,200 by city taxes.

NAGASAKI.

By CONSUL GEORGE H. SCIDMORE.

This district, like other parts of the Empire, suffered from great depression in trade during 1908, caused, in the opinion of business men here, by the financial crisis in the United States; the reaction from the boom of 1907; the fall in the price of silver, which especially affected exports to China; the fall in the price of copper in Europe; reduced Chinese trade; oversupply of ships; increased excise and import taxes; unusually large crops of beans in Manchuria, which unsettled the market for bean cake and other fertilizers; the hesitation of farmers to sell their stores of rice, and a reduction of government expenditures on public works.

Compared with 1907 the total foreign trade shows a decrease of \$1,271,180 in exports and of \$2,590,830 in imports. The following table shows the imports into and exports from the several ports in this district in 1908:

Port.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
Nagasaki.....	\$8,062,790	\$7,287,522	\$2,318,162	\$1,851,280
Moji.....	13,153,825	10,932,989	9,486,847	7,445,020
Shimonoseki.....	1,196,572	1,337,296	2,173,683	3,899,323
Wakamatsu.....	479,192	710,478	1,583,186	2,118,066
Kuchinotsu.....	153,380	109,175	2,444,616	1,645,489
Karatsu.....	176,524	63,780	953,209	890,202
Suminoe.....			319,659	261,408
Miike.....		114,456		111,065
Hakata.....	204,271	280,212	76,476	49,528
Misumi.....	58,797	164,839	69,097	16,913
Idzuhara.....	182,863	74,992	257,247	96,627
Shishimi.....	13,342	14,439	64,968	69,592
Sasuna.....	12,689	18,231	73,676	95,130
Naha.....		15,006		18
Total.....	23,714,245	21,123,415	19,820,826	18,549,646

CLASSIFICATION OF IMPORTS.

Of the imports into this consular district the decreases were principally in raw sugar, the imports of which were valued at \$1,336,869; raw cotton, \$864,286; machinery, \$560,494; flour, \$240,199; and steam vessels, \$199,916. Increases in imports were in kerosene oil, valued at \$245,397; iron ore, \$212,825; iron plates, \$188,745; angle

iron, \$104,939; and coke, \$84,490. The following table shows the value of the imports, by articles, into Nagasaki during 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals:			Iron and steel, manufactures of—Continued.		
Cattle.....	\$1,918	\$4,287	Machinery—Cont'd.		
Other.....		751	Screwing.....	\$1,683	\$5,339
Asbestos.....	916	1,542	Shaping.....	2,713	2,308
Beans, peas, and pulse.....	251,575	232,026	Other.....	330,112	163,381
Belting and hose.....	4,784	5,038	Nails.....	95,246	110,479
Bones.....	390,298	318,731	Pigs, ingots, etc.....	109,678	184,163
Breadstuffs:			Pipes and tubes.....	170,756	117,556
Flour.....	45,342	36,720	Plates and sheets.....	583,416	724,328
Meal, starches, etc.....		580	Rails.....	16,061	21,299
Wheat.....	25,363		Rivets.....	47,819	55,166
Bricks and tiles.....	4,989	1,201	Sheets, galvanized—		
Caoutchouc and gutta-percha manufactures.....	7,589	6,112	Corrugated.....	26,578	41,739
Carpets.....	10,878	8,515	Other.....	74,838	87,294
Chemicals, drugs, and medicines:			Stoves.....	3,967	4,797
Ammonium sulphate.....	12,854	3,306	Structural.....	231,376	53,025
Other.....	6,308	7,995	T, angle, etc.....	150,626	258,915
Coal.....		87,052	Tools and implements.....	11,215	11,170
Cordage, thread, etc.....	1,897	2,325	Wire, rod and rope.....	14,712	72,028
Cotton, and manufactures of:			Other manufactures.....	37,491	24,659
Ginned.....	328,585	283,190	Lamps, lanterns, and parts:		
Prints.....	4,340	3,971	Electric.....	3,802	4,322
Other tissues.....	7,102	4,092	Other.....	2,590	9,176
Diving apparatus.....	5,990	3,826	Leather.....	16,761	11,772
Earthenware and porcelain.....	9,381	2,863	Linen:		
Eggs.....	22,325	26,224	Canvas.....	6,006	4,776
Fertilizers:			Other tissues.....	1,762	1,114
Bone dust.....	47,752	15,829	Metals, and manufactures of:		
Dried fish.....	2,852	3,829	Antifriction.....	13,096	6,796
Other.....	19,983	3,335	Brass—		
Fishing gut.....	27,277	35,650	Bars and rods.....	41,323	846
Glass.....	49,265	66,641	Pipes and tubes.....	62,094	20,642
Grains and seeds:			Plates, sheets, and wire.....	22,749	6,006
Sesame.....	12,215	25,769	Copper—		
Other.....	24,970	12,746	Bars, rods, etc.....	18,376	286
Hemp, flax, jute, etc., and manufactures of:			Pipes and tubes.....	122,806	29,990
Fiber.....	1,320	493	Other.....	6,196	7,662
Gunny cloths and bags.....	1,269	3,494	Lead—		
Hair and bristles.....	7,913	6,103	Pigs, ingots, etc.....	4,751	5,585
Hides and skins.....	1,404	824	Plates and sheets.....		2,400
Instruments:			Tubes.....	9,106	7,244
Balances and scales.....	1,090	3,769	Tin—		
Compasses, chronometers, etc.....	764	2,187	Blocks, ingots, etc.....	9,025	1,022
Gauges and meters.....	11,651	10,205	Plates.....	4,131	18,309
Musical, and accessories.....	3,735	1,219	Zinc.....	24,046	22,878
Scientific and surveying.....	8,018	3,371	Metallic fittings.....	5,207	29,120
Surgical.....	2,031		Other metals.....	1,277	73,214
Iron and steel, manufactures of:			Other manufactures.....	89,911	37,032
Anchors and chains.....	42,189	33,778	Oil cake:		
Bars and rods.....	308,506	272,242	Bean.....	467,477	787,265
Boilers, steam.....	167,657	3,453	Cotton-seed.....	11,202	6,483
Bolts and nuts.....	33,547	42,776	Rape.....	201,007	277,909
Cables.....	86,373	21,187	Oils:		
Engines—			Castor.....	1,415	1,414
Steam.....	29,258	10,910	Colza.....	4,964	8,221
Turbines, steam.....	257,875	212,807	Kerosene.....	739,899	895,321
Other.....	5,204	1,343	Linseed.....	4,981	8,378
Machinery—			Lubricating.....	14,130	14,371
Distilling.....	31,737	21,006	Olive.....	4,286	1,545
Drilling and boring.....	16,739	1,827	Other.....	3,347	18,542
Electric.....	162,287	69,641	Ores and minerals:		
Hammers, steam.....	6,106	3,299	Plumbago.....	16,884	86,619
Lathes.....	66,438	4,311	Other.....	8,943	2,188
Lifting.....	102,564	75,302	Packing for engines.....	8,279	6,908
Locomotives and parts.....	27,084	20,837	Paints and pigments:		
Milling.....	9,550	2,683	Cobalt, oxide.....	5,156	9,026
Pumping.....	171,355	21,497	Ships' bottom.....	21,085	3,296
Sawing.....	2,821	2,972	Other.....	11,253	13,748
			Paper, and manufactures of.	6,837	3,984
			Pitch.....	1,686	4,550
			Provisions:		
			Butter and cheese.....	2,587	3,037
			Confectionery, etc.....	1,512	1,074
			Meats and poultry.....		1,066

Articles.	1907.	1908.	Articles.	1907.	1908.
Provisions—Continued.			Varnish	\$1,302	\$2,343
Milk, condensed	\$31,349	\$24,650	Vessels:		
Other	9,413	3,392	Steam	219,832	28,884
Putty	1,208	2,135	Other, and vehicles	18,062	5,510
Rice	339,449	332,556	Wax, paraffin	35,493	36,658
Silk tissues		4,463	Wood, and manufactures of:		
Spirits, wines, and malt liquors:			Teak	159,442	75,384
Beer, ale, etc.	1,462	1,103	Oregon pine, etc.	82,090	67,127
Whisky, etc.	4,712	2,537	Other	25,617	16,182
Wines	8,026	7,773	Woolen tissues	9,162	4,077
Stearin and candles	2,095	3,075	Traveling effects	16,799	14,973
Sugar	7,350	50,248	Parcels post	7,944	8,963
Tallow, beef	9,771	9,361	All other articles	202,316	111,388
Telephones		5,361	Total	8,069,172	7,279,116
Tissues, n. e. s.:			Reimports		8,406
Mixed	2,905	3,449	Grand total	8,082,790	7,287,522
Waterproof cloth	2,335	1,533			
Other	7,002	5,537			

EXPORTS FROM NAGASAKI.

Of exports from this consular district the decreases were principally in cotton yarn, the exports of which were valued at \$1,223,719; coal, \$660,230; lumber, \$418,599; cuttlefish, \$191,145, and iron and steel goods, \$152,073. There were marked increases in cotton cloth, valued at \$367,165, and refined sugar, \$86,714. The value of the exports from the ports of Nagasaki in 1908, by articles, is shown in the following table:

Articles.	Value.	Articles.	Value.
Boots, shoes, etc.	\$6,924	Fruits and vegetables:	
Breadstuffs:		Mushrooms, dried	\$59,678
Flour, meals and starches	854	Onions	1,014
Other	642	Oranges	5,424
Cement, Portland	32,355	Potatoes	81,646
Charcoal	92,642	Other fruits	5,965
Chemicals, drugs, and medicines:		Other vegetables	13,769
Star anise	5,281	Furniture	5,041
Other	3,372	Glass	3,784
Clothing and accessories:		Grains and seeds	3,317
European clothing	9,946	Iron and steel, manufactures of:	
Socks and stockings	1,220	Machinery	10,297
Other	7,590	Other	5,342
Coal:		Lacquered ware	1,271
Lump	309,116	Lard, tallow, and grease	1,897
Dust	16,653	Matches	1,439
Coke	1,666	Metals, and manufactures of:	
Comestibles, sundry	25,936	Copper ingots	1,158
Confectionery and sweetmeats	3,209	Other	3,359
Coral ornaments	9,110	Mineral water	1,464
Cordage and rope	2,024	Oils:	
Cotton:		Colza	5,162
Imitation nankeen	8,804	Whale and fish	2,957
Wadding	20,084	Other	263
Yarn and tissues	20,180	Ores and minerals:	
Embroideries	4,993	Zinc	32,992
Fish and mollusca:		Other	289
Awabi—		Paper:	
Tinned and bottled	16,291	Toyo, wrapping	45,520
Dried	14,622	Hanshi and Mino, writing	1,806
Beche de mer, dried	26,223	Printing	1,969
Bonito, dried	4,110	Other	14,660
Clams	26,286	Pea cheese	4,508
Cuttle, dried	278,730	Porcelain and earthenware	29,029
Mussels	7,643	Rice	50,224
Oysters	1,805	Sake	4,810
Sardines and anchovies	7,022	Shells	23,274
Scallops	5,936	Silk tissues	599
Sharks' fins	21,792	Skins, hair, horns, etc.	307
Shrimps and prawns	35,268	Soap	1,619
Other	20,661	Soy	13,415
Fishing nets	1,447	Straw, manufactures of	1,610

Articles.	Value.	Articles.	Value.
Tea.....	\$13,505	Wood, and manufactures of:	
Tissues:		Timber.....	\$35,655
Mixed.....	4,506	Manufactures of.....	4,278
Other.....	2,426	Parcels post.....	36,413
Toilet articles.....	2,460	All other articles.....	40,906
Toys.....	1,224		
Trees and plants.....	4,711	Total.....	1,649,841
Vermicelli.....	5,998	Reexports.....	201,439
Vessels and boats.....	1,649		
Wax, vegetable.....	4,645	Grand total.....	1,851,280

FOREIGN TRADE BY COUNTRIES.

The following statement shows the imports into and exports from Nagasaki and Moji, the two principal ports of this consular district, during 1908, by countries:

Country.	Nagasaki.		Moji.	
	Imports.	Exports.	Imports.	Exports.
United States.....	\$1,082,086	\$12,633	\$1,573,151	\$89,090
Australia.....	21,060	612	2,496	26,574
Belgium.....	268,012	84,249	81,429	126
British India.....	84,622	5,765	2,202,097	93,147
China.....	1,744,522	786,458	1,428,497	2,066,533
France.....	12,005	140	6,283	399
French India.....	170,769	4,145	99,324	12,752
Germany.....	241,612	13,334	779,335	710
Hongkong.....	47,761	292,587	159,871	1,868,411
Korea.....	191,317	153,539	120,180	870,137
Kwangtung Province.....	262,010	212,622	651,817	1,270,938
Philippine Islands.....	6,979	71,596	90,251	1,447
Russia.....	5,647	2,517	263	
Russia, Asiatic.....	9,181	150,849	102,667	31,634
Siam.....	171,619	227	46,323	25
Straits Settlements.....	1,332	5,099	33	410,090
United Kingdom.....	2,725,641	37,682	1,020,111	94,283
Other countries.....	241,296	16,821	2,568,559	608,725
Total.....	7,287,522	1,851,280	10,932,989	7,445,020

EXPORTS TO THE UNITED STATES.

There was a total decrease of \$684,333 in the declared value of exports to the United States in 1908. This great falling off in trade was mainly in the item of coal. The miners' strikes in the United States are said to have been the principal reason for the increased demand for Japanese coal on the Pacific coast during 1907. Prices for coal here ranged from \$3.50 to \$4.50 per ton, and shipments to the Philippine Islands rose from nothing in 1907 to \$30,266 in 1908, and were mainly influenced by demands for the supply of the American battle-ship fleet. Exports of porcelain fell in value from \$5,039 in 1907 to nothing in 1908. The trade in this article with the United States, however, is chiefly carried on from the ports of Kobe and Yokohama. The bulk of the exports to the Philippine Islands continues to consist of fresh vegetables for the American military and naval forces. There was a total increase in the Philippine trade of

\$47,100. The declared exports to Hawaii from this port amounted to only \$137 worth of compound medicines.

The following table shows the declared value of exports to the United States and the Philippine Islands from the port of Nagasaki in 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
UNITED STATES.			PHILIPPINES—continued.		
Coal.....	\$730,815	\$48,925	Coal.....		\$30,266
Coke.....	1,358		Coke.....	\$852	1,946
Household goods and personal effects.....	3,704	3,301	Fish.....		3,030
Porcelain.....	5,039		Rice.....		345
Rice.....	6,529	9,025	Vegetables:		
All other articles.....	1,745	3,606	Cabbage.....	6,704	482
			Potatoes.....	142,814	158,753
			All other articles.....	1,698	923
Total.....	749,190	64,857	Total.....	152,068	199,168
PHILIPPINES.					
Acids.....		1,546			
Cement.....		1,877			

During 1908 the Mitsu Bishi Dockyard and Engine Works at Nagasaki completed and delivered to the owners 6 vessels with a total of 48,477 tons burden and 73,083 indicated horsepower. At the close of the year the company had on its stocks 8 vessels with a total of 61,200 tons burden and 55,198 indicated horsepower. The *Tenyo Maru* and *Chiyo Maru*, two of the vessels completed last year, are now running on the San Francisco line and are reported to be giving satisfaction, except that, owing to trade depression, their cargoes have been light. One of the vessels to be completed in 1909 will be employed in bringing crude oil from trans-Pacific points. On her outward voyages it is expected that she will convey Japanese emigrants to South America. During 1908 the graving docks and slips of the Mitsu Bishi Company were used by 70 Japanese vessels with a tonnage of 291,481 tons, and by 27 foreign vessels of 105,392 tons, the largest of the latter being the American steamship *Minnesota* of 20,718 tons. Owing to depression in the shipping business, scarcely any new orders have been placed with the company during the past year, and reductions in the number of employees are being made.

HARBOR OF NAGASAKI.

The harbor of Nagasaki is considered to be one of the safest and most convenient in the Orient. It is spacious and almost land-locked and, having a mud bottom, affords excellent anchorage in depths varying from 3½ to 15 fathoms at low water, spring tides. The average of soundings is 8 fathoms, consequently very little dredging has been necessary. A considerable area of land has been reclaimed by filling in at the upper end of the harbor, where landing stages on pontoons are provided for small steamers. Nearly all cargo is handled by means of lighters. There are no piers or wharves of sufficient size to accommodate large vessels, but plans for such constructions have been prepared.

Stevedore charges are 15 cents per ton, loaded or discharged. The tonnage tax is $2\frac{1}{2}$ cents per registered ton. If a vessel makes use of a mooring buoy, \$3.49 a day extra is charged. Pilotage rates are \$9.96 plus 3 per cent for each foot of draft over 12, and 3 per cent per 1,000 tons for each ton over 1,000. The coaling facilities of Nagasaki are excellent. The ordinary speed for delivery aboard ship from lighters alongside is about 250 tons per hour. In one instance a mail steamer calling here received 1,445 tons in a little under four hours, or at the rate of $361\frac{1}{2}$ tons per hour, or 6 tons per minute. This was done by 676 laborers, male and female, and 179 trimmers. Abundance of pure water is supplied to shipping from the city waterworks, and fresh meats, fish, vegetables, and other stores of excellent quality are obtainable and at moderate cost.

The following table shows the number and tonnage of vessels that entered and cleared from the various ports of this consular district during 1908:

Port.	Entered.		Cleared.	
	Number.	Tonnage.	Number.	Tonnage.
Nagasaki.....	1,232	2,683,875	1,182	2,685,269
Moji.....	2,147	4,036,132	2,194	4,066,130
Shimonoseki.....	1,234	462,341	962	459,475
Wakamatsu.....	422	448,990	456	451,747
Hakata.....	51	17,046	50	14,756
Karatsu.....	276	315,336	337	337,518
Suminoe.....	38	33,617	49	39,904
Milke.....	21	28,223	22	28,823
Kuchinotsu.....	256	664,667	267	663,166
Misumi.....	19	6,972	22	3,433
Idzuhara.....	394	38,170	353	38,241
Shishimi.....	673	8,740	774	9,426
Sasuna.....	383	15,317	447	20,066
Total.....	7,146	8,759,426	7,116	8,817,954

According to official reports, the native population of Nagasaki on December 31, 1908, was 175,936, of whom 95,410 were males and 80,526 females; 23,816 were householders. There were 1,262 foreign residents, the British leading in numbers and occupying 33 per cent of the ground leased to foreigners, while Americans ranked second in number and held about 18 per cent of the land leased. The numbers of births and deaths registered during the 12 months ending November 30, 1908, were 2,386 and 1,769, respectively.

MOJI AND SHIMONOSEKI.

The recent rise of Moji in commercial importance is mainly due to its convenience as a port of call for coal for vessels engaged in the trans-Pacific trade and in the trade between Japan and Korea, Siberia and North China. Bakan, on the opposite shore of Shimonoseki Strait, is a terminus of the main line of Japan's railways. Coal, which can be obtained abundantly in the neighborhood of Moji, is delivered aboard ship slightly cheaper than at Nagasaki. The Imperial Government Iron Foundry, located at Wakamatsu, a short distance to the west of Moji, contributes in some measure to the progress of the latter. The exports from Moji next in importance to coal, are refined sugar, cotton yarns, and lumber, scarcely any of

which go to the United States. During 1908 this consulate certified 21 invoices of shipments from Moji and Shimonoseki to the United States, the total declared value being \$46,559, of which coal was valued at \$38,890, and cement, sulphuric acid, vegetable wax, and other miscellaneous exports at \$7,670.

The drawbacks with which Moji has to contend are restricted area of anchorage, a strong current of more than 7 knots through the strait and anchorage, and exposure to frequent severe gales. These lead to a large number of collisions between vessels and seriously interfere with loading and discharging. Mainly for these reasons the larger mail steamers and men of war prefer to coal at Nagasaki. The following table shows the principal imports and exports for the port of Moji during 1908:

Imports.	1907.	1908.	Exports.	1907.	1908.
Cotton, raw	\$3,220,524	\$2,399,856	Coal	\$3,882,358	\$3,479,513
Machinery	1,199,524	1,337,438	Sugar, refined	655,440	675,496
Sugar, raw	3,531,254	2,122,978	Cotton yarns	2,021,303	545,944
Manure, oil cake	1,984,776	1,677,660	Timber and lumber	982,886	630,822
All other articles	3,217,747	3,395,057	All other articles	1,944,860	2,093,245
Total	13,153,825	10,932,989	Total	9,486,847	7,445,020

During the year the workshops of the Government Iron and Steel Foundry were enlarged and the adjacent coal mines were extended, but the output has not yet been able to compete with the imported products or with the work of private firms. About 80 per cent of the ore used was imported from China.

COAL MINING—WIRELESS TELEGRAPH—RAILROADS.

The total output of all the coal mines of Japan during the year 1908 is reported as 14,468,664 tons, of which 11,828,664 tons were the product of this district (Kiushiu). During the past four years reports from the Kiushiu mines show the following outputs of coal: 1905, 9,370,481 tons; 1906, 10,302,603; 1907, 11,126,438, and 1908, 11,828,664. Notwithstanding the great depression in the shipping trade, the supply of coal was not seriously affected during the year 1908.

In April, 1908, the port of Omuta (or Miike) was officially opened to foreign trade. Near by are located the Miike mines, which are the most productive in Japan. Extensive harbor improvements have been undertaken and are to be completed during 1909, enabling the largest vessels to take in coal from alongside pier walls and in all weathers. The completion of these works will practically end the shipment of coal from Kuchinotsu.

On July 1, 1908, the Japanese Government established a wireless-telegraph station on Ose Saki, the southern extremity of the Goto Islands, for the use of Japanese merchant shipping. Later it was announced that this and other stations on the Japanese coast would be authorized to accept, for transmission, any wireless telegrams sent from a foreign war ship and addressed to an embassy, legation, or consulate in Japan, on condition that all charges be paid by the official receiving them. Up to the close of 1908 no foreign steamship

lines had made any arrangements for other wireless telegraph accommodations in Japan.

In December, 1908, one of the largest ice factories in Japan was opened at Kokura, the machinery installed being of American make. A section of the trunk line of the Kiushiu Railway, covering 33 miles, with 23 tunnels, between Yatsushiro and Hitoyoshi, was opened to traffic in June, 1908, leaving only 28 miles to complete connection with Kagoshima.

MARKET FOR AMERICAN PRODUCTS.

Among American products or manufactures which could be exhibited or sold to advantage in an international exposition in Japan the foremost positions should be given to machinery and tools, from which should be particularly excluded agricultural implements and machinery. There is no demand for the latter, of American make, because of the conservatism of the Japanese farmers, the diminutive size of the fields, and the cheapness of the simple and peculiarly shaped articles made by the rural blacksmiths. There are also many kinds of carpenters and smiths' tools of foreign make that will not be accepted here. In this district there is a good and growing market for machinery and tools used in mining, shipbuilding and repairing, sugar refining, rice cleaning, cement making, and spinning and weaving. For the Imperial foundry at Wakamatsu and the navy-yard at Sasebo large supplies are required.

The increasing use of electrical appliances of all varieties offers a most promising market for them, and the same may be said of small motors for vehicles and vessels. The market for leather of various kinds is increasing rapidly, but nothing of much value can be done here with ready-made shoes until the field has been carefully studied by experts. Drugs and chemicals are demanded in increasing quantities. In textiles little increase of demand is likely to occur, except for manufactures of wool. Great Britain and Germany lead in these lines.

Great attention is being paid in Japan to the improvement of live stock, especially cattle, horses for the army, and poultry. Nearly all attempts at sheep farming in Japan have resulted in failure. The Japanese people, besides, have a great repugnance for mutton. The fishing industries are receiving great encouragement, and new appliances for use therein are sure to meet with favor. Cotton-seed oil is being used as a substitute for olive oil in preserving sardines and for other purposes and should command a larger market here. Of dairy products condensed milk alone seems to be in great demand. Cheese is repulsive to the Japanese taste and the use of butter makes slow progress.

YOKOHAMA.

By VICE-CONSUL-GENERAL E. G. BABBITT.

In the matter of foreign trade, Yokohama leads among the 34 ports of Japan, the total value for 1908 amounting to \$170,362,817, which exceeded the trade of Kobe, the next in importance, by \$32,414,989. The imports into Kobe exceeded those of Yokohama by over \$19,000,000, but Yokohama's exports were much greater than those of the former port. The following table gives the total

value of commodities imported into and exported from Yokohama, by countries, in 1908:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
AMERICA.			EUROPE—continued.		
United States.....	\$16,065,530	\$49,394,704	Denmark.....	\$13,257	\$19,823
British America.....	386,142	724,340	France.....	934,156	15,762,426
Mexico.....	161	10,400	Germany.....	10,471,220	1,853,460
Chile.....	212,730	19,179	Italy.....	98,324	5,200,823
Peru.....	14,765	11,612	Netherlands.....	253,422	132,304
Total.....	16,679,328	50,160,235	Norway.....	34,591	1,296
ASIA.			Portugal.....	4,199	138
British India.....	3,812,708	3,227,840	Russia.....	18,044	491,449
China.....	5,965,459	2,561,003	Spain.....	185,033	46,090
Dutch India.....	4,656,476	275,942	Sweden.....	224,492	2,060
French Indo-China.....	1,183,234	60,184	Switzerland.....	691,924	19,782
Hongkong.....	112,507	612,235	Turkey.....	6,225	8,496
Korea.....	270,932	850,856	United Kingdom.....	21,775,216	8,155,276
Kwantung Province.....	1,565,561	1,439,877	Total.....	37,048,249	32,494,705
Philippines.....	351,179	260,969	ALL OTHER.		
Russia, Asiatic.....	162,007	24,436	Australia.....	807,416	1,288,616
Siam.....	84,453	171,899	Egypt.....	1,407,886	94,027
Straits Settlements.....	249,028	441,824	Hawaii.....	4,008	403,302
Total.....	18,413,542	9,929,065	Other.....	961,050	651,388
EUROPE.			Total.....	3,200,360	2,437,333
Austria-Hungary.....	525,675	289,262	Grand total.....	75,341,479	95,021,338
Belgium.....	1,812,471	512,020			

To the United States, Yokohama is the leading port of Japan, since approximately \$49,000,000 of the \$60,000,000 exported to that country in 1908 was shipped from Yokohama. Of imports Yokohama received from the United States an approximate value of \$16,000,000 of the \$38,500,000 imported into all Japan.

TRADE DEPRESSION—YOKOHAMA'S IMPORTS.

While Yokohama suffered from the general depression, the loss was less at this port than at others in Japan. Its exports to Dutch India, the Philippines, Siam, British Straits Settlements, and the Kwantung Province increased, but China was responsible for a decrease of over \$1,000,000 and Hongkong of more than \$500,000. Shipments to British America, Mexico, Peru, and Chile increased, while in those to the United States there was a decrease of \$3,135,320. Exports to Australia increased slightly, while those to Hawaii and Egypt showed a small decrease. Of the decrease in imports, China and the British and Dutch Indies, France, Germany, Belgium, Austria-Hungary, Australia, and Great Britain sustained the greater losses. The imports from the United States actually increased about \$250,000, which fact in a bad year is encouraging.

Of the imports into Yokohama from all countries in 1908, as compared with 1907, rice showed a falling off of almost \$2,000,000, which is nearly half of the loss in rice imports into all Japan. Wheat flour decreased over \$1,000,000. Condensed milk and fresh eggs, however, showed substantial gains. Skins, hair, bones, horns, etc., showed decreased imports in practically every item. There was a notable increase in caustic soda and nitrate of crude soda, while

chlorate and bromide of potash decreased as heavily. Heavy lubricating oils, mineral colza and paraffin wax increased nearly \$800,000, while kerosene fell off slightly. A considerable decrease in natural indigo is more than compensated for by an increase in artificial indigo.

Cotton imports into Yokohama increased more than \$1,000,000, while the imports of cotton into Kobe decreased more than \$11,000,000, indicating that the cotton mills of this district were increasing their output in a dull season while those farther south were curtailing production. There was a gain of over \$470,000 in gray shirting and sheeting, cotton satins and Italian cloths, but a falling off of \$1,317,573 in woolen tissues. A considerable increase was made in shoe and rubber boot imports, practically all from the United States.

IMPORTS OF ORES, MINERALS, AND MACHINERY.

The imports of ores and minerals showed a loss of approximately \$13,900, of which coal and phosphorites made up the decrease, while imports of plumbago more than doubled. The total decrease in iron and steel from the 1907 figures was over \$1,877,000, and the items showing the greatest decline were iron and steel bars and rods, plates and sheets and galvanized corrugated sheets. Increased imports were received of galvanized wire, plain tinned sheets, rails, and angle plates. Imports of copper increased materially, lead decreased very slightly, zinc showed a small increase and nickel a falling off of more than \$45,000, mercury declined sharply, and the imports of aluminum were only a seventh of the imports of 1907.

Machinery made a satisfactory gain of over \$200,000. There were increases in the imports of steam and gas engines, steam turbines, and hydraulic motors, electrical machinery, drilling and boring machines, milling machines, sawing machines, fire engines, lifting machines, ice-making machines (from \$25 to over \$45,000), beer-brewing, paper-making and cotton-printing machinery, spinning machinery, and weaving machinery except that for cotton weaving. The articles showing declines were telephones, steam boilers and hammers, sewing machines, turning lathes, slotting, planing and shaping machines, diving apparatus, hydraulic presses (from \$23,000 to nothing), mining machinery, printing presses, and typewriters. The imports of bean oil cake nearly doubled, the total exceeding \$3,000,000, and there were substantial increases in various other fertilizers.

EXPORTS FROM YOKOHAMA.

Exports of tea decreased over \$850,000, due partly to the depression in the tea business generally, but more particularly to the development of the port of Shimidzu as a shipping point for this product. While many items of export increased, many others declined. There was a decrease of \$582,284 in silk tissues for which habutae was largely responsible. The bulk of the silk goods is shipped from this port, which is the jobbing point for practically all silk districts of Japan. The decrease in clothing and accessories amounted to \$261,864. There were increased exports of ores and minerals of \$38,000, chiefly manganese, as both copper and zinc ore showed a falling off. Copper ingots and wire gained \$125,905, and

iron and steel manufactures gained \$137,906. The decrease in machinery amounted to nearly \$85,000. The exports of jinrikishas decreased largely, 5,464 vehicles having been shipped as compared with 10,032 in 1907. There was an increase of about \$50,000 in the exports of electric dynamos and motors.

The following table gives the declared value of exports from the port of Yokohama to the United States, Hawaii, and the Philippines in 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Antimony ware.....	(a)	\$23,002	Peppermint oil and crystals.....		\$10,856
Awabi, etc.....	\$9,958	31,160	Personal and household effects.....	(a)	33,106
Bamboo ware.....	6,286	18,975	Plants, bulbs, etc.....	\$155,972	100,957
Books.....	35,553	33,467	Porcelain and earthenware.....	(a)	366,584
Braids, chip and straw.....	84,177	95,092	Provisions, miscellaneous.....	843,615	420,485
Curios.....	1,242,692	160,164	Rice.....	88,418	237,504
Furniture, screens, etc.....	(a)	43,811	Shoyu.....	72,779	206,325
Hides, skins, furs, and feathers.....	50,232	42,933	Silk, raw and waste.....	40,750,070	39,701,021
Isinglass.....	5,285	10,195	Textiles:		
Lacquered ware.....	(a)	35,851	Cotton.....	605,564	292,891
Leather goods.....	(a)	7,243	Linen.....	1,533,413	655,270
Medicines.....	24,523	32,032	Silk.....	4,830,340	3,381,546
Ores and minerals:			Tea.....	4,474,596	3,365,802
Copper.....	1,206,556	1,091,899	Toys.....	(a)	39,065
Iron.....	15,173		Vegetables:		
Manganese.....		31,650	Fresh.....	44,057	104,652
Sulphur.....		8,316	Mushrooms.....	22,179	36,467
Paper, and manufactures of:			All other articles.....	230,927	2,194,171
Paper goods.....	28,852	40,791	Total.....	56,677,052	53,112,375
Wall paper.....	(b)	44,179			
Other.....	184,087	85,725			
Peanuts.....	154,228	126,188			

^a Included in "Curios" and "All other articles."

^b Included in "Paper goods."

The declared exports to the United States from the Hakodate agency totaled \$286,373, and included railroad ties to the amount of \$105,519, oak timber \$58,471, and sulphur \$121,320.

YOKOHAMA THE BUSINESS CENTER.

While there is but little manufacturing done in this city, it is here that the most important American business representatives have their headquarters. The territory to which Yokohama is the door is extensive and rich. The population of this city is given by the latest census as over 326,000 and that of Tokyo as 1,818,655. As this census was taken in 1903, it is estimated that the increase to 1908 amounts to 5.5 per cent. The population of this consular district, exclusive of the Hokkaido and northern islands, exceeds 18,000,000. Considering that 1908 was a bad year generally, Yokohama was prosperous. The city of Tokyo depends entirely upon Yokohama for its foreign goods and for raw materials for its numerous factories. The cotton mills at Oyama and elsewhere are supplied with their ginned cotton through this port, and this district is the most active along the line of electrical development, in which the United States chiefly is interested.

Yokohama has just completed extensive improvements to its harbor. Some 56 acres have been reclaimed and made a part of the customs compound; 11 miles of track and 2½ miles of roadway supply ample means of moving the merchandise, which can be landed

directly from vessels. Over a mile of berthing space is provided, and the depth of water at low tide alongside the quay walls varies from 20 to 32 feet. The compound is well equipped with water supply, sewerage system, and electric power, while steam and electric cranes are provided at frequent intervals. Numerous sheds and warehouses accommodate the cargoes. The new enterprise was officially opened on July 1, 1909, at the time of the celebration of the fiftieth anniversary of the opening of the port of Yokohama to foreign trade. It can be considered a very worthy monument to the progress which Japan has made in the past half century.

KOREA.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL THOMAS SAMMONS, SEOUL.

In 1908 Korea's commerce suffered because of the nonexportation of ginseng (the shipments of which amounted to only \$880 in comparison with \$601,237 in 1907), a large rice crop in Japan, and an abundant bean crop in Manchuria. Rice and beans are Korea's chief articles of export. The insurrection disturbed business in some parts of the Kingdom, but the principal reasons for the trade depression are the three just stated. However, the year 1908 witnessed the inauguration of a vigorous mining movement on the part of Americans, which will show to the world that Korea possesses mineral wealth of great value.

For over ten years a single group of mines, the first to be opened up in the country by foreigners (Americans), has stood as the only successful mining venture in Korea to be operated under modern methods. This group has produced approximately \$12,000,000 in gold bullion. The output is over \$100,000 per month. On this property almost \$1,250,000 has been expended in equipment, the machinery being largely of American manufacture. Between 70 and 80 American miners are employed and 5,000 Korean laborers, and about 1,000 tons of ore, averaging \$5 per ton, are crushed and treated daily. The fact that this mine, now at a depth of 900 or 1,000 feet, continues to increase in value is confirmation of the possibilities of Korea's mineral resources.

AMERICAN MINING INTERESTS QUADRUPLED.

American mining interests in Korea quadrupled during 1908, copper (Kapsan), gold (Suan), and graphite (Kang Neung) properties being among those added. In addition to these another gold quartz property (Sak Ju mines), located near the Yalu River, is to pass to American control, and Americans have also secured a half interest in the famous Ham Heung Province placer mines at Meung Tai Dong, situated northwest of Wonsan (Gensan), on the east coast of Korea. At Meung Tai Dong nuggets are found, but this is the only extensive placer property in Korea that resembles the Klondike district deposits of coarse gold and nuggets. The ore values uncovered on one of these properties, a large gold quartz area known as the Suan mines (originally granted to British subjects, but in which

Americans were largely interested and which is now leased to Americans), have warranted the purchase of a complete milling plant. The first consignment of 20 stamps is being installed. Supplies of this nature are purchased in the United States, and it is to this class of American products that Korea offers a most inviting new market.

Next to the American interest in mining in Korea, the British have shown the greatest activity. Thus far, however, Americans are interested to a considerable extent in all British mining exploitation in Korea. The most important British acquisition during 1908 was the taking over, under a working option, of the gold quartz and placer properties situated a short distance south of Seoul and known as the Chiksan mines. Indeed, it would seem that London capital heretofore largely occupied in Australia and South Africa is turning to Korea as the most promising field to be found in the world at the present time.

While the French mining concession as recently granted has not proven satisfactory, the Italian concession now being exploited, located near the Kapsan copper mines, in northern Korea, promises to prove rich in copper deposits. The German concession has as yet failed to show high values on any large scale.

CUSTOMS DUTIES REMOVED—AGRICULTURE.

In connection with the adjustment of American mining concessionary problems during 1908, the Japanese protectorate, acting for the Korean Government and under the personal direction of Prince Ito, practically did away with all export duties on mine products and removed all import duty on supplies used in the operation of mines in Korea. This, together with such modifications in the mining laws as are calculated to strengthen title and facilitate transfer, has served to stimulate the mining industry, and, combined with exceptionally valuable discoveries and new mining concessions as adjusted during 1908, has offered such practical inducements that the year will mark the turning point in Korea's industrial development. Thus, while Korea has always been primarily an agricultural country, its mineral wealth is becoming of great importance, and as iron mines and coal deposits are being developed the exploitation of its mineral resources may reasonably be expected to continue.

In the meantime the Korean-Japanese movement, having for its object the taking over of extensive areas of fertile government land in Korea and the utilization of tracts commonly designated as waste lands, is calculated to stimulate agricultural and industrial pursuits. This movement will at the same time bring large numbers of Japanese farmers to Korea, and it is predicted that the Hermit Kingdom will ultimately be able to export, particularly coastwise, large quantities of farm produce as well as of manufactured goods, fruits, and vegetables.

Agricultural experiment stations have demonstrated that Korea is well adapted to varied horticultural and agricultural pursuits. The

culture of grapes on the lower half of the peninsula promises to develop into an important industry, and the possibilities of silk culture are very great. In rice, silk, cotton, cattle, tobacco, matting, and grass cloth Korea, with but slight systematic attention to their culture, care, and manufacture, would become of much consequence to the crop-production possibilities of the Far East. Already Korea produces some of the best varieties of rice in the world.

There are waste-land areas in Korea that could doubtless be profitably cultivated under the dry-farming process. Rice lands now worked only as the result of irrigation could also be worked under dry-farming methods should this new departure be introduced. The average rainfall is 39.4 inches, but owing to the fact that the forests have been cut away, as in many other parts of the Far East, destructive floods usually follow the heavy rains of July and August and the water is quickly carried off.

Korea possesses large areas of uplands suitable for cattle raising, and this industry, which is already receiving considerable attention, could be developed rapidly if cattle diseases were eradicated. About \$300,000 worth of live stock was exported in 1908 and \$25,000 worth of hides is exported annually. The results of experimenting with American cotton in Korea are highly satisfactory. The crop produced is double that of native cotton in quantity, the expense of raising it is 50 per cent less, and the prices offered for the product are much higher than those for the Korean variety.

FOREIGN TRADE.

The total commerce in 1908 amounted to \$31,843,557, and of this sum \$4,273,377 represented specie and bullion. This aggregate is \$1,390,195 less than that in 1907. The balance of trade was against Korea, the merchandise imports exceeding the exports in 1908 by \$13,455,669. In 1907 this excess of incoming trade was \$11,524,085. Exports of gold and silver coin and bullion exceeded the imports, however, by \$749,408 in 1908 and by \$2,006,636 in 1907. The principal articles of merchandise exported from Korea during 1907 and 1908, respectively, are shown in the following comparative statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals.....	\$368,722	\$358,527	Hides.....	\$338,264	\$259,468
Barley and wheat.....	228,340	83,377	Ore:		
Beans, yellow and red.....	1,967,826	1,705,821	Gold.....		22,451
Copper, manufactures of.....	30,064	31,424	Iron and copper.....		87,686
Cotton, raw and ginned.....	81,587	51,683	Paper.....	32,668	34,225
Fertilizers.....		128,035	Rice.....	3,779,253	3,240,534
Fish.....	243,019	119,335	Seaweed.....	6,935	38,306
Ginseng.....	601,237	880	Timber and planks.....	80,312	72,072

The great decline in exports of ginseng from \$601,237 in 1907 to the insignificant amount of \$880 in 1908 caused a heavy decrease in the total of export trade, and there were additional losses of \$538,719 in rice and \$262,005 in beans.

While the export trade suffered, the total imports for the year showed a gratifying increase. The imports during 1907 and 1908 were divided among the various countries as follows:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$1,647,779	\$2,096,959	Japan.....	\$13,681,936	\$12,021,454
Austria.....		11,948	Philippine Islands.....		33,922
Belgium.....	12,677	33,321	Russia.....	19,829	10,516
British India.....		11,202	Russia, Asiatic.....	321,657	25,839
China.....	2,232,848	2,441,198	Switzerland.....		25,010
Dutch Indies.....	9,139	63,210	Turkey.....		27,581
France.....		57,064	United Kingdom.....	2,758,798	3,390,242
Germany.....	33,463	197,347	Other countries.....		21,896
Hawaii.....		11,637			
Hongkong.....		32,557	Total.....	\$ 20,718,126	20,512,925

* The figures for 1907 include \$993,124 for articles for military use and exclude those for reexport.

TRADE WITH THE UNITED STATES.

As appears in the foregoing table, the United States, China, Japan, and the United Kingdom practically control the import trade of Korea. The effort to introduce cheap oils into the country has not proven successful, and American oils continue to hold the bulk of the trade, notwithstanding that other oils have recently been placed with Korean merchants on a credit basis. In the kerosene oil business, as in the cigarette trade, personal representation and the carrying of goods in stock ready for local demands solve the problem of commercial expansion, as a rule.

Of approximately 735,000,000 cigarettes consumed annually in Korea a large number contain, wholly or in part, American tobacco. The Japanese tobacco monopoly has only slightly over 50 per cent of the total trade in this line, with British-American interests holding practically the balance of the business. The latter have opened a factory in Korea. In railway supplies America has practically all of the trade, the railways of Korea being provided with American locomotives and rails. About 50 per cent of all cars and fixtures are also of American manufacture.

American flour is well established in Korea and larger quantities may be sold from year to year. This will doubtless be the case, too, with school furniture and supplies, heating stoves, and household necessities generally. Because of bad roads or no roads at all automobiles are not in demand, but there may be a limited market for motor boats as the mining and other industries are developed.

The development of mines that are near tide water will open up a market for large quantities of heavy mining timber, and for a considerable period, if not permanently, it is probable that the Pacific coast of America will be able to supply this demand as against the products of the Yalu River timber districts, either in Korea or Manchuria. The Kang Neung graphite mines, the Chiksan gold mines, and the Sak Ju mines are all near tide water. The operation of the Kapsan copper mines on a large scale will require a railway to the sea, and by this method supplies may be hauled into the interior.

The principal articles imported from the United States, Hawaii, and the Philippine Islands during 1908 are given in the following table:

Articles.	Value.	Articles.	Value.
Beer, porter, and stout.....	\$1,312	Iron and steel, manufactures of—Cont'd.	
Candles.....	10,233	Locomotives and fixtures.....	\$171,735
Cigarettes.....	53,094	Nails.....	15,043
Cotton, manufactures of:		Pipes and tubes.....	3,183
Sheeting.....	19,571	Rails.....	414,049
Shirting, gray and white.....	3,685	Lumber and planks.....	16,340
Fish, salted.....	13,684	Oil, kerosene.....	684,985
Flour, wheat.....	186,408	Porcelain and earthenware.....	292
Instruments, telegraph and telephone, etc.....	5,918	Sugar, brown and refined.....	15,013
Iron and steel, manufactures of:		All other articles.....	474,609
Galvanized sheets.....	7,775	Total.....	2,096,969

Korean exports to the United States consist largely of concentrates, curios, brass ware, and a few tiger, leopard, and sable skins. With the development of the mineral resources of the country shipments of mine products will increase, and efforts made during the past year by American concerns warrant the belief that larger quantities of Korean brass ware will find a ready market in the United States.

TRADE WITH OTHER FOREIGN COUNTRIES.

Although Korea is able to manufacture grass cloth from native materials, and does, in fact, manufacture large quantities, it imported from China in 1908 approximately \$800,000 worth of this fabric because China can sell Korea grass cloth more cheaply than Korea, with primitive methods, can manufacture it. That country is also sending large quantities of silk to Korea, this trade being stimulated during 1908 by the depreciation of silver. The establishment of many newspapers throughout the Kingdom has greatly increased the sales of paper, and the market shows an increasing demand for sugar, flour, cotton wadding, kerosene oil, and matches. Gray shirting and sheeting are not in active demand at present. White shirting from Shanghai successfully competes with Japanese manufactures. The principal articles imported from Japan, China, and the United Kingdom, respectively, during 1908 are shown in the following table:

Articles.	Japan.	China.	United Kingdom.
Cigarettes.....	\$307,645	\$88,000	\$49,916
Coal.....	684,645	644	
Cotton, and manufactures of:			
Raw, and wadding.....	149,222	46,385	
Sutins.....	5,600	6,953	194,363
Sheetings and shirtings.....	1,085,731	3,058	1,845,520
Tissues, other.....	812,842		
Yarns.....	1,000,899	10,779	136
Flour, wheat.....	5,737	257	7
Iron and steel, manufactures of:			
Galvanized sheets.....	11,107		101,407
Locomotives and fixtures.....	19,966		13,553
Nails.....	5,256		24,961
Pipes and tubes.....	964		290,892
Rails.....	11,143		8,673
Lumber and planks.....	584,175	235,178	
Oil, kerosene.....	562		
Salt.....	74,230	144,293	
Silk gauzes.....	211	281,127	
Sugar, brown and refined.....	336,542	3,974	1,555
All other articles.....	6,924,987	1,620,648	859,290
Total.....	12,021,454	2,441,198	3,390,242

PATENT AND TRADE-MARK REGULATIONS.

The Japanese system for the protection of trade-marks, designs and patents was extended to Korea during 1908, to be effective after August 16. Under the agreement bringing about this new arrangement it is provided that Korean and Japanese subjects and American citizens possessing patent, design or trade-mark rights obtained and protected in the United States upon application shall receive the same rights and similar protection in Korea, of the same duration as in America, provided that the application is made within one year after the date on which the new regulations went into effect. Patent, design and trade-mark rights obtained in Japan by American citizens prior to the enforcement of the new regulations will be deemed to have acquired protection in Korea for an equal period. Goods held in violation of patent rights thus obtained must be sold within six months after the regulation becomes effective.

It is provided that the terms for the exclusive use of patent, design and trade-mark rights, obtained otherwise than as above described, shall be fifteen, ten, and twenty years, respectively. The fees for application are \$2.49 for patents, \$4.98 for designs, and \$1.49 for trade-marks. The yearly fee for holding a patent right is \$4.98, increased by \$2.49 each three years. The annual fee for a design right is \$1.49 for the first four years, \$2.49 for the next three years, and \$3.48 for the last three years. There is an annual fee of \$14.94 for a trade-mark right, to be charged for each class of goods upon which it is used.

It is evident from the movement of freight traffic in Korea that the port of Fusan, at the southern end of the peninsula, is destined gradually to divide honors with the port of Chemulpo on the western coast near Seoul. This is partially due to the falling off of shipping facilities with China and a steady increase in trade accommodations at the ports nearest Japan.

DECLARED EXPORTS TO THE UNITED STATES.

The declared value of exports from Korea to the United States in the years 1907 and 1908, respectively, was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Books.....	\$373	\$61	Ore, gold and copper.....		\$214
Brass ware.....	242	2, 129	Skins, leopard, bear, and sable.....	\$300	208
Chests, cabinets, and cash boxes.....	518	408	Total.....	16, 322	28, 364
Concentrates and slag, gold.....	11, 126	23, 237	Returned American goods.....	197	668
Curios.....	802	1, 311	Grand total.....	16, 519	29, 032
Effects, personal and household.....	2, 862	653			
Embroidery, native.....		30			
Ginseng.....	39	113			

PERSIA.

REVIEW OF TRADE CONDITIONS.

By CONSUL WILLIAM F. DOTY, TABRIZ.

The total foreign trade of Persia for the fiscal year ended March 20, 1908, amounted to \$72,551,495, against \$78,441,661 in the previous year, a decrease of \$5,890,166. The imports were valued at

\$40,843,427 and the exports \$31,708,068 for 1908, against imports of \$43,103,977 and exports of \$35,337,684 for 1907. This was a decrease of \$2,260,550 in imports and of \$3,629,616 in exports.

The imports into and the exports from Persia, by countries, during the fiscal year ended March 20, 1908, were as follows:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$16,437	\$155,062	Germany.....	\$711,005	\$141,734
Afghanistan.....	432,611	362,492	Italy.....	200,651	1,319,842
Austria-Hungary.....	481,798	245	Netherlands and colonies..	111,216	14,849
Belgium.....	203,300	43,004	Oman.....	248,126	306,323
British India.....	5,903,043	1,656,243	Russia.....	19,117,188	20,286,156
British Empire, exclusive of India.....	11,108,492	2,001,601	Switzerland.....	79,701	4,354
China.....	40,701	205,840	Turkey.....	1,186,391	3,923,480
Egypt.....	327	124,234	All other countries.....	11,753	1,017
France and colonies.....	996,597	1,001,592	Total.....	40,843,427	31,708,068

IMPORTS BY ARTICLES.

About 73 per cent of the imports entered for consumption into Persia during the fiscal year 1908 consisted of cotton manufactures, valued at \$15,891,396; sugar, \$9,862,015, and tea, \$2,769,186, a total of \$28,522,597. There was an increase of \$697,177 in the receipts of cotton manufactures, a decrease of \$2,974,881 in sugar, and an increase of \$1,066,245 in tea, compared with 1907.

In the following statement are shown the imports, by articles, for the fiscal years ended March 20, 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals.....	\$329,436	\$251,233	Matches.....	\$388,383	\$233,765
Animal products.....	480,807	336,158	Mirrors.....	118,521	.....
Breadstuffs:			Oil, kerosene.....	736,865	601,790
Flour.....	641,826	594,804	Paper.....	121,832	142,415
Wheat, barley, etc.....	150,267	71,457	Pepper and curry.....	275,968	312,593
Candles.....	82,641	111,755	Precious stones.....	26,079	182,465
Carriages.....	125,978	66,813	Rice.....	282,776	315,501
Clothing.....	153,122	103,007	Rubber goods.....	122,206	107,836
Copper and nickel.....	89,626	151,741	Silk, manufactures of:		
Cotton, manufactures of:			Cloth (mixed).....	377,346	223,297
Textiles.....	14,370,589	14,867,215	Textiles.....	136,240	56,403
Thread.....	823,630	1,024,181	Sugar.....	12,836,896	9,862,015
Crockery, etc.....	183,199	185,111	Tea.....	1,702,941	2,769,186
Drugs and dyes.....	315,916	253,069	Tobacco.....	203,647	196,569
Enameled ware.....	206,725	99,576	Velvet and plush.....	160,413	155,916
Fruits.....	175,606	155,724	Wood, building.....	169,940	144,280
Glassware.....	130,522	112,457	Wool, and manufactures of:		
Haberdashery.....	306,578	345,933	Raw.....	506,061	310,566
Hides.....	313,404	314,221	Textiles.....	1,085,157	529,821
Indigo and kermes.....	285,965	385,161	Other, including cot- ton, mixed.....	589,913	393,141
Iron and steel, and manu- factures of:			All other articles.....	2,270,019	1,961,865
Ingots.....	119,412	147,121	Total.....	42,479,981	38,944,417
Other.....	607,723	457,959	Bullion and coin:		
Leather goods.....	100,175	117,584	Coin.....	608,561	905,210
Linen and hemp, manu- factures of:			Gold and silver.....	15,435	993,800
Textiles.....	116,265	72,407	Grand total.....	43,103,977	40,843,427
Thread.....	259,374	220,286			

DECLINE IN PERSIAN SALES.

The largest single item of export from Persia during the fiscal year 1908 was fruit, valued at \$4,633,240. This was followed by raw cotton, worth \$4,508,820; carpets and rugs, \$2,928,391; fish,

\$2,458,818; cocoons, \$2,454,727, and rice, \$2,400,044. The greatest decrease was shown in the shipments of carpets and rugs, which declined \$1,915,843 from the previous fiscal year.

The leading articles of export for the fiscal years 1907 and 1908 are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals, live.....	\$561,641	\$659,384	Silk, and manufactures of:		
Breadstuffs.....	310,252	798,230	Raw.....	\$421,964	\$205,793
Carpets and rugs.....	4,844,234	2,928,391	Cloth.....	523,567	517,588
Cotton, and manufactures			Cocoons.....	1,284,820	2,454,727
of:			Tobacco.....	228,581	181,872
Raw.....	4,668,898	4,508,820	Wood, building, etc.....	286,582	309,596
Cloth.....	457,849	376,300	Wool, and manufactures of:		
Drugs and dyes.....	415,866	423,865	Raw.....	1,492,757	1,207,831
Fish.....	3,217,399	2,458,818	Cloth.....	252,497	233,614
Fruit.....	5,502,965	4,633,240	All other articles.....	1,451,512	1,292,091
Gum.....	1,588,896	962,823	Total.....	33,608,558	30,197,511
Hides and skins.....	1,715,115	1,636,574	Coin, gold and silver.....	1,729,126	1,510,557
Opium.....	1,481,151	1,692,029	Grand total.....	35,337,684	31,708,068
Oxide of iron.....	75,000	116,100			
Precious stones.....	245,237	199,782			
Rice.....	2,551,785	2,400,044			

The imports into Persia from the United States direct for the fiscal year ended March 20, 1908, were valued at \$16,437, and consisted of the following principal articles: Kerosene oil, worth \$9,655; haberdashery, \$2,612; furniture, \$1,454; books, magazines, etc., \$680; clothing, \$238, and drugs, \$406.

The exports to the United States direct for the fiscal year amounted to \$155,062, the leading items being as follows: Gum, valued at \$63,028; carpets and rugs, \$49,369; opium, \$28,853; fruits and nuts, \$12,046, and tobacco, \$605.

TRADE OF AZAIRBAIDJAN PROVINCE.

Russia and Turkey (Asia Minor), by virtue of their proximity to Azairbaidjan, in the extreme northwestern section of Persia, control the commerce of that quarter. From Tiflis the railway runs to Djulfa on the Persian frontier, about 80 miles from Tabriz, the capital of the Province. From Djulfa the road constructed by the Russian Government is an excellent one. The great caravan route from Trebizond, on the Black Sea, which passes through Erzeroum and Van, crosses the Persian frontier near Mount Ararat, not far from Khoi, thence to Tabriz, 600 miles by the most direct course. The imports from European countries other than Russia pass over the Trebizond route generally, despite long delays.

A new order of things will probably ere long be established, when a railway is built by American and German capital from Trebizond to Kara Kalisa, on the Persian frontier, a project likely to reach fulfillment about two years hence. There appears to be good ground for supposing that British capital will cooperate with a Russian plan about one year hence to construct a railway from Djulfa, on the Russian frontier, to Tabriz, and thence down by way of Souj Bulak to Hamadan to Isphahan and possibly across the Turkish frontier to a point near the Persian Mohammedrah to connect with the Persian Gulf.

Russia sends a large quantity of piece goods and textiles, sugar, wagons and carriages, and petroleum into Persia, while it takes a

great proportion of carpets and rugs, almonds, and other nuts, cotton, wool, dried fruits, and hides. Turkey buys carpets to a large extent, although most of them are reshipped to other countries. Many articles, attributed to Turkey as imports, are from other countries also. Tobacco of a fine grade is largely imported from Asia Minor.

Tabriz, the point of distribution for a large section of Azairbaidjan, is a city of about 250,000 population, situated in a wide plain, well placed for purposes of irrigation, surrounded by gardens and wheat fields. It has bright prospects in commercial matters. Khoi, in the extreme northwestern part, is a trade center of importance, having a population of about 40,000, and has a custom-house. Urumia and Salmas Plain to the south are garden sections. There are other cities, such as Marend, on the Russian road, 40 miles from Djulfa, in a prosperous quarter; Maragha, south of Lake Urumia, in the section where the best raisins are cured, and Ardabele, in the East. In most of these centers American sewing machines are for sale through Russian agents whose headquarters are at Tiflis. American tools are much prized, but rarely obtainable. There is a fine opportunity for a few American mercantile firms at Tabriz and elsewhere in this region to handle a general assortment of shoes and leather, printed goods, and hardware. A German firm is about to establish a silk factory at Tabriz, and also has a repair shop to put together goods sent "knock-down," and to make stockings and mittens, and to sell drugs, etc. The United States buys carpets and rugs to the extent of about \$150,000 per year from Tabriz, which are included in the exports to Russia.

TEHERAN.

By CONSULAR AGENT JOHN TYLER.

The conditions which prevailed in Teheran during 1908 had a serious effect on the trade and industries of the city and district. The bazaar and other centers of commercial activity were entirely closed for nearly five months and with the exception of the sales of the bare necessities of life no business of any kind was transacted.

This interruption to the ordinary channels of trade not only prevented the carrying on of traffic, but threw half the population of Teheran out of employment, and they had to exist on their savings, on charity, or on loans of money lenders. The economic condition of the country was so disturbed that it may take a long time to recover its normal state.

In surveying such a period of depression in the business of the nation one naturally inquires, What has been the effect on American trade with Persia? This, no doubt, is what concerns American interests to a much greater extent than the internal problem. It is regrettable that so far the commercial status between Persia and the United States is in its infancy.

This is more surprising when it is considered that in the missionary sphere a close connection has existed between the two countries for nearly eighty years. It is a proverbial saying that trade follows missionary enterprise, yet in all this time no serious attempt has been made to introduce American goods into the Persian market. In this case it is doubtless the exception to the rule. Moreover, it is highly probable that if trade had taken advantage of the open door

granted to the mission the former would have profited. The writer has frequently heard both the rulers and their ministers express the wish for extended commercial relations between the two countries, especially as no questions beyond the pale of commerce would be likely to interfere with the peaceful development of friendly competition.

American merchants continually and perseveringly ask for every particular of what grows in Persia, its mineral products, cost of transportation, and many other questions, and there the matter ends. A large proportion of the silver for the Persian coinage is the product of American mines, but is largely purchased in England. In addition to this the imports consist of cheap clocks, lamps, stoves, drugs, and canned goods, but none in such quantities as would induce purchasers to ask for them in preference to others. If American goods can compete on equal terms with those of European manufacture in their own countries, there is no reason why they should not stand the test in Persia. It should be always borne in mind that heavy machinery under the present means of transportation (camels and mules) can not safely and profitably be imported.

EXPORTS TO THE UNITED STATES.

In the matter of exports from Persia the shipments to the United States present a better appearance. Directly or indirectly, the United States is probably a greater market for Persian carpets and rugs than any country in the world.

During 1908 the invoices of carpets at Teheran to the United States amounted to \$78,930, or more than double that of any previous year. This increase was entirely due to an American company which in the early part of the year established additional agencies at Kerman and Hamadan. There are also shipped to the United States gum tragacanth, dried fruits, licorice root, and wool. The turquoise gem of the finer and more delicate shades from the mines at Nichapoor, and pearls from the Persian Gulf find their way to New York and other cities, but chiefly if not entirely through the intermediary of English and French commercial houses.

Opium is grown to a considerable extent in the Provinces of Ispahan, Yezd, Kerman, and Fars. After providing for domestic consumption the remainder is shipped to China.

The new era which seems to be dawning for Persia should give a stimulus to its industries and open up fresh avenues for manufacturing and commercial enterprises, which should induce American capital and scientific skill to enter into competition with other countries.

RUSSIA IN ASIA.

REVIEW OF TRADE CONDITIONS.

By CONSUL LESTER MAYNARD, VLADIVOSTOK.

In 1803 the first Siberian commercial expedition was sent to Alaska with a cargo of Russian goods to be traded for furs, with instructions to sell the pelts in China and to bring Chinese goods to Kronstadt. From that beginning the foreign commerce of the Pri-Amur district, or what might be termed Eastern Siberia or the Russian Far East, has grown until in 1908 the total trade of the port of Vladivostok

with countries other than Russia itself amounted to 656,296,708 pounds avoirdupois, 390,769,397 pounds of this total representing imports and 265,527,311 exports.

The district is mountainous with the exception of the southern part, which is mostly plains and low hills. The mountains in the north are heavily timbered and their valleys form good pasture land, especially in the valleys of the Zeya and Bureya rivers. Habarofsk, which is situated in the Maritime Province, has been the capital of the entire Pri-Amur district since 1884, and the residence of the governor-general. Vladivostok is the capital of the Maritime Province, which occupies the eastern coast of Asiatic Russia, extending from the Korean frontier to the Arctic Ocean. The area of this Province is approximately 744,000 square miles, varying in width from 40 miles along the shores of the Okhotsk Sea to 700 miles in Kamchatka, with a coast line about 8,000 miles in length.

OCCUPATIONS—MINING AND MINERALS.

Agriculture is the chief industry in the southern part of the Province, more particularly in the South-Ussuri district and in the territory of the Ussuri Cossacks. The area within the boundary of the rivers Ussuri and Amur, Tartar Strait and the Japan Sea is about 81,000,000 acres. Of this total 7,431,067 acres are peasants' land, 1,757,201 acres Cossack land, 55,547 acres Church land, 46,352 acres belong to private individuals, 41,218 acres are farms, and 4,050,000 acres of new land were surveyed for colonization purposes during 1907. In the Maritime Province in 1907, 341,010 acres were planted in grain, the total crop being 232,308,496 pounds. Of this amount 82,526,754 pounds of wheat were produced on 120,906 acres of land, 87,279,093 pounds of oats from 122,580 acres, and 26,908,857 pounds of buckwheat from 43,119 acres. In 1908 there were 410,708 acres planted in grain in Amur Province, producing a total of 454,360,025 pounds. Of this amount 227,739,895 pounds of oats were produced on 195,483 acres of land, 212,573,469 pounds of winter wheat on 193,287 acres, and 9,444,498 pounds of spring wheat on 11,077 acres.

In the Uda and Habarofsk districts fishing is by far the most important industry, and is carried on along all the coast and in most of the rivers, though more particularly in the Amur River. Hunting for furs is pursued throughout the whole northern region, the hunters being the Giliaks, Arachons, and Tunguz, who still pay their taxes to the Russian Government in furs, skins, and whalebone.

Gold is the principal mineral worked, and is to be found almost everywhere. It is usually mined on a small scale by prospectors, and there are few large companies operating. Placer mining predominates, but for centuries the Chinese have prospected this country, with the result that it is difficult to find alluvial gold in the more thickly populated districts. Iron is found near Olga Bay and Habarofsk. Silver and zinc are also to be found near this bay and on the river Tituhey. Copper is known to exist south of Vladivostok. Platinum is found, but not mined, near Habarofsk. Asbestos of a poor quality is found in the vicinity of Nikolsk. White marble and fire clay exist in the southern part of the Maritime Province. Alabaster (gypsum) is found in large quantities at Spasskoe and Haba-

rofsk. At the former place a modern cement factory has been built, in which German machinery of American design has been installed, and it is reported that a stock company will soon build a cement factory at Habarofsk.

NUMEROUS COAL DEPOSITS.

Coal is found in many parts of the Province. In the south it is young and soft and brown in color. The coal found on the island of Sakhalin is claimed to be equal to Cardiff. Hard coal is also found on Amur Bay about 12 miles from Vladivostok, and on the Mongugai and Suchan rivers. The Suchan mine is the property of the Russian Government, and a railway has been constructed to transport its coal to the Chinese Eastern Railroad and to Vladivostok.

As Vladivostok is a small market and is still supplied with cheap firewood for fuel, no great amount of development has taken place in the mines in the vicinity of the city, but as the price of firewood has advanced since the Russo-Japanese war, and as the demand is increasing and the supply decreasing, coal from the neighboring mines will gradually come into more general use. The Thirtieth Verst mine, which is situated about 20 miles north of Vladivostok on the Ussuri Railway, has been operated for about 10 years. It has the thickest and largest deposit in the district, the product being a lignite which lies in veins in a clay formation, which can be worked with only a pick. The Podgorodny mine is about 18 miles from the city, on the same line of railroad, and produces bituminous coal of a good grade. The Retchnoi group of mines requires blasting, the product being a high-grade lignite, and the operation of the Sui-Fun mine, which is located about 5 miles from Nikolsk, near the Sui-Fun River, is badly handicapped by a lack of transportation facilities.

On the western shore of Amur Bay, near Bogoslavka village, is located the Mongugai mine, which is estimated to contain 1,800,000 tons of coal, and it is believed that the veins extend over the Manchurian frontier. It is claimed that the coal is superior to any other coal in the Maritime Province, and resembles Cardiff. Little development work has been done, but with a railway connecting it with Amur Bay and the construction of loading facilities at the mouth of the Mongugai River, the mine would be in a position to supply Vladivostok with cheap and good bunker coal, and probably be able to supply the navy.

The Suchan mine, located on the Suchan River, about 30 miles from America Bay, is the only one that has been developed to any great extent, the coal being a semianthracite. During the war about \$1,000,000 was spent in connecting the mine with the Ussuri Railway, sinking shafts, and purchasing machinery. The Bogorodsky mine, located within the city limits of Nikolsk is the most recent discovery of coal deposits in the Maritime Province, having been discovered in 1908. Up to the present, only the surface vein has been worked and only by the digging of an open ditch, but the coal has gained so much in popular favor that it is practically the only coal used in Nikolsk, and it is predicted that, if properly worked, this mine will be able to supply the Ussuri Railway.

Coal is found in many parts of Sakhalin Island, but the principal mines are located on the western shore within a radius of a few miles of Post Alexandrofsk. They may be divided into four groups:

Mgatchi, Vladimir, Alexandrofsk, and Due, and are all situated near the coast, but are handicapped by a lack of harbors. The present situation of the coal industry on Sakhalin Island is most unsettled. After the Russo-Japanese war the penal colony was abolished, but the mines are still in the hands of the administration, and the St. Petersburg authorities have not announced their future course in regard to the deposits. In all probability, however, the Government will open the mines to private enterprise, in which case foreigners will have an opportunity to exploit them.

PETROLEUM DEPOSITS—FISHERIES.

Oil and naphtha are found in very large quantities on the island of Sakhalin, and recent discoveries show the existence of oil on the northeastern shore of Lake Baikal. In Sakhalin, it is found principally along the eastern coast. In the southern part of the island fishermen have been limited in the depth of the pits they dig by the presence of naphtha. Whether the oil exists in commercial quantities has never been demonstrated. As far as is generally known, no deep boring has been made in any part of the island. Based on the supposition that the geological formation is similar to that of the oil fields of Japan, deep boring should prove that oil can be found in paying quantities, and the fact that the oil fields are so near the coast would make Sakhalin an important factor in the world's oil trade.

Fish is one of the main foods of the population of the Maritime Province, and the fisheries may be divided into two classes—the Amur River system, and the fisheries of Sakhalin and Kamchatka. On the Amur River, where salmon runs occur twice a year, the natives by working five days each run can earn enough to pay their taxes and living expenses during the balance of the year, and this fact tends to retard the development of the region. Until recently the methods of salting and curing the fish were most primitive, and inferior Chinese and Japanese salt was used, to the detriment of the industry, for the fish deteriorated so rapidly that exportation was almost impossible. Up to within the last few years red (salmon) caviar was not considered good for human consumption, and the eating of salmon was deemed dangerous. Latterly, better methods have been employed and German and Russian mountain salt has been used, with the result that Siberian salmon and salmon caviar are used throughout Siberia, and find a good market in European Russia and other countries of the Continent. The fisheries of Sakhalin and Kamchatka have also suffered from the same drawbacks, most of the fish from this region being exported to Japan and used as fertilizer.

Whaling is at a standstill at present. Herring fisheries have been started in Amur Bay near Vladivostok, and shipments have been sent to Japan during the past two years. In Straylock Bay, about 100 miles from Vladivostok, a cannery for salmon, trout, and herring has been in operation for about two years, and has proven most successful. Sea cabbage (kale) is gathered along the coast from Askold Island to Vladimir Bay, and exported to China, and to this same country is also shipped the trepang collected in Peter the Great Bay. Oysters are boiled down and made into a sauce similar to soy, called "ho-yow," and exported, and shrimps are treated in the same

manner. Seal hunting is a government monopoly and the rights are leased to private parties. Walrus and other sea animals are hunted by the natives, but not as a regular industry.

WORLD'S SABLE SUPPLY.

The Maritime Province is the chief source of supply for the sable markets of the world. The best skins come from the Udscoi sub-district on the northern bank of the Amur River, but sables are found as far south as Tourney Bay. Compared with the Manchurian sable, the Siberian animal is darker and smaller, and has the brownish silver color so much in demand in the American and European markets. All the skins are shipped to Europe. Sables are also found in Kamchatka and on Sakhalin Island, and, in fact, in almost all parts of eastern Siberia. Due to the increase in population and the frequency of forest fires, the sable is being driven farther into the wildest portions of the country, and trapping is becoming more difficult. The trapping is done exclusively by natives, and the price of the pelts varies greatly, being governed by the demand. The price on the Amur River, in the vicinity of Habarofsk, is from \$15 to \$30 per skin; in the Udscoi subdistrict it is from \$35 to \$75, and occasionally, for fine skins, \$150, but sable is usually obtained from the natives by trading. Firms in Habarofsk and Nikolaiefsk send sleighs laden with general merchandise, which is exchanged for furs. The same system applies to Kamchatka, except that the trading is done by boats, and from the latter place many of the pelts are acquired by Americans. Due to the southern movement of the ice, boats from the south can not reach Kamchatka, but boats from Alaska can enter the clear water immediately south of the shore, and in this way traders from America have a big advantage over the traders from the south. Sables collected by the Government as taxes from the natives are sold at public auction in Petropavlosk and Vladivostok.

GREAT VARIETY OF FURS.

Beaver are found only in Kamchatka, and they are commercially designated as "Kamchatka beaver." The number of these animals known to exist is small, and they are carefully guarded by Russian officials. The kill is limited, and public-auction sales take place twice a year in Vladivostok. Only three skins were sold at the last sale, bringing about \$200, \$425, and \$700, respectively. Foxes of many varieties are found throughout eastern Siberia. The skins of the blue fox bring from \$125 to \$225 each; gray fox skins average between \$20 and \$25 each; the ordinary red fox skins sell for \$3 to \$6 each, and that of the arctic or white fox is worth about the same price as the red. The skin of the blue arctic fox is extremely rare and brings fancy prices.

Tigers are found in the southern part of the Maritime Province, and in size and strength, and thickness of fur, they are far superior to the Malay or Indian tiger. The tiger is hunted entirely by Russians, as the religious beliefs of the natives prevent them from hunting these animals. The skins are worth from \$75 to \$150 each. Skunk, muskrat, marten, musk ox, glutton, badger, squirrel, deer, moose, reindeer, wolf, bear, mountain sheep, and wild boar are found in various parts

of eastern Siberia. Pheasant, woodcock, wild duck, wild goose, snipe, grouse, wood hen, and partridge are found in great numbers in this section of Asiatic Russia.

TRANSPORTATION—TELEGRAPH LINES—BANKING.

The Russian Volunteer Fleet maintains a subsidized weekly steamer service between Vladivostok, Nagasaki, and Shanghai, and a semi-weekly service to Tsuruga, Japan. In addition to this, the Osaka Shosen Kaisha also maintains a weekly service to Tsuruga. The Russian Volunteer Fleet has a spring and summer service to northern ports of Siberia and to Nome, Alaska, and regular communication with Odessa. The Danish and Russian East Asiatic Company maintains a service between Vladivostok and Baltic ports, and the Nippon Yusen Kaisha has a line between Kobe and Vladivostok via Korean ports; and numerous small boats engage in coasting service between Sakhalin, Kamchatka, and Chinese harbors. Regular steamship lines are also operated on the principal rivers, particularly on the Amur, connecting Nikolaiefsk, Habarofsk, Blagoveschensk, Stretensk, Harbin, and various small towns.

The main line of the Ussuri Railroad runs from Vladivostok to Habarofsk, and from Nikolsk a branch line connects with the Chinese Eastern Railway at Pogranetchnaia, and this and connecting lines through to Moscow and St. Petersburg are generally known as the Great Trans-Siberian Railway. During 1907, 275.09 miles of new wagon roads were built in the Province—50.51 miles in the Habarofsk district, 145.45 miles in the Iman district, 70.27 in the Anuchinsky district, 7.09 in the Nikolsk-Ussurisky district, and 11.77 miles of coast roads.

In 1907 the revenues of the post and telegraph offices in the Maritime Province were \$593,320, and the expenditures, \$210,819. There were 109 post-offices established and 21 branch post and telegraph offices, and 9 branch telegraph offices. In addition, 16 offices were temporarily established at railway stations and administrative offices. There are at present 5 wireless stations connecting Habarofsk and Vladivostok, and 1 Marconi station at the navy-yard.

The construction of the different railways and government works has scattered considerable wealth over the country, but the natural resources are still in an undeveloped state, and this part of the Russian Empire is too young, comparatively speaking, to have made possible the amassing of great private fortunes. It is only recently that local enterprises have been started. For many years the Russo-Chinese Bank was a dominant factor in Russian Far Eastern affairs, but in 1907 the financial control became more general, and the Siberian Bank opened a branch in Vladivostok. During 1908 local and mutual-credit banks were opened, and it is intended to open others in neighboring cities.

TRADE AND CREDIT SYSTEM—MANUFACTURING.

The long-credit system is employed throughout eastern Siberia, and Moscow and Lodz merchants sell goods on from six to nine months' credit, and even twelve months, against bills of exchange. These bills have the shipping documents attached, which are surrendered upon

acceptance, the draft being discounted by the local banks but, as a rule, for not longer than six months. Bills so discounted are usually rediscounted by the branch of the Imperial Bank. Bills not paid upon maturity are protested in the usual manner through a notary public, and credit with all banks ceases for the defaulter. This system is followed by the foreign firms trading here, and more particularly by the Germans. In dealing with American firms it is almost invariably the custom for the American exporter to insist upon a bank credit being established, with delivery of documents upon payment. This system has shown good results, and during the financial depression of 1907 and 1908, with one or two exceptions, there were no failures of any importance.

In 1907 there were 1,104 manufacturing establishments in the Maritime Province, employing 5,444 men, 144 of these industries being located in Vladivostok and employing 1,890 workmen. The most important enterprises were 2 sawmills, 2 brick factories, 7 breweries (including 3 Chinese), 10 printing offices, 2 machine shops, and 1 glass works. The total turnover of all the manufacturing establishments in the Province was registered at \$2,149,259, of which sum \$1,298,511 was the turnover for Vladivostok. There are numerous small flour mills, 83 of which use steam power, but all are so small that they interfere very little with the importation of American flour. The timber industry offers great promise throughout the entire district, but up to the present time little has been done to develop the forest resources.

REVENUES AND EXPENDITURES—CLIMATE AND POPULATION.

In 1907 the revenues of the Maritime Province amounted to \$247,008, and the expenditures to \$120,304, leaving a balance on hand on January 1, 1908, of \$126,704, a gain of some \$2,000 over the year previous. To this total of \$247,008 revenue, trading licenses contributed \$15,965; liquor licenses, \$23,480; real estate taxes, \$12,488, and government lands and forests, \$16,778.

Winter in this part of the Russian Far East is extremely cold and dry, with no rain and little snow. The bays are entirely frozen over, Vladivostok harbor is kept open by two ice breakers, and the ground is bare and frozen. The summer is hot and damp, and is excellent growing weather, but the season for crops is short. The meteorological returns for ten years, from 1894 to 1903, inclusive, give the average barometer reading as 29.926 inches; average temperature, minimum 16.72 degrees Fahrenheit, maximum 67.25 degrees, mean 41.98 degrees; average humidity, 74½ per cent of saturation; total average rainfall, 25.704 inches. The total number of schools in the Maritime Province in 1907 was 348, with 19,908 pupils. The most prevalent disease in the district is typhus fever, which exists in all sections and throughout the year. In 1907 there were 1,078 cases of this fever.

The population of the towns of the Province on January 1, 1908, was estimated as 182,524; that of the South-Ussuri district as 243,543.

Vladivostok is built on one of the most perfect natural harbors in the world, the main part of the town being along the shores of what is

known as the Golden Horn, and extends back across a narrow peninsula to Amur Bay. As a range of hills lies immediately back of the city, the line of growth has been in a narrow strip from Yeagersheldt eastward for about 5 miles, and the main street (Svetlanskaia) runs through practically the entire town. This is Russia's stronghold in the Far East, and is the largest army post. The town is heavily fortified against attacks from land and sea and new fortifications and barracks are being erected. It is estimated that the number of troops stationed in Vladivostok and vicinity is about 70,000, principally infantry and artillery. It is also the headquarters of the Russian navy in Far Eastern waters, and the navy-yard and dry docks are located in Vladivostok harbor.

IMPORTS BY ARTICLES.

Vladivostok is the chief port of entry for eastern Siberia, and her import trade in 1908 amounted to \$24,670,609, exclusive of imports from European Russia, a decrease of \$11,478,815 from the \$36,149,424 of imports in 1907. The value of the imports, by articles, during 1907 and 1908, respectively, was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals.....	\$217,531	\$278,606	Fruits and nuts—Cont'd.		
Asphalt.....	213,705	12,068	Fruit juices.....	\$4,944	.....
Basket ware.....	85,440	58,183	Oranges and lemons...	363,422	\$117,569
Boats.....	11,210	.....	Nuts.....	35,506	54,109
Breadstuffs:			Furs.....	7,467	13,164
Flour.....	766,669	1,575,379	Glass, manufactures of:		
Grain.....	29,770	9,171	Glassware.....	173,861	260,807
Building materials.....	174,752	42,510	Mirrors.....	49,450	71,049
Buttons.....	36,384	20,841	Graphite.....	28,469	.....
Cacao.....	15,068	.....	Hair, and manufactures		
Candles and wicks.....	11,854	224,074	of.....	29,329	44,003
Caoutchouc, manufactures			Hats.....	94,296	354,491
of.....	20,867	94,463	Hides.....	1,623	78,362
Cars, carriages, and parts:			Instruments:		
Carriages.....	267,856	196,005	Musical.....	328,962	45,520
Cars.....	40,309	.....	Scales.....	69,962	19,779
Chemicals, drugs and medi-			Technical.....	459,215	195,247
cines:			Iron and steel, manufac-		
Acids.....	30,837	9,377	tures of:		
Ether.....	25,240	.....	Arms and parts.....	25,121	51,736
Medicines.....	54,734	37,600	Boiler plates.....	982,614	85,952
Sodium carbonate.....	47,677	34,032	Cutlery.....	14,698	.....
Other.....	37,406	57,673	Iron—		
Clocks, watches, and parts.	168,817	274,124	Cast.....	64,411	62,059
Clothing and underwear.....	672,466	916,582	Pig.....	12,999	.....
Coal, coke, and peat.....	190,508	63,874	Wrought.....	434,012	.....
Coffee.....	13,863	.....	Iron and steel ware—		
Cosmetics.....	125,376	91,105	Rough.....	.....	580,123
Cotton, and manufactures			Finished.....	1,684	132,743
of:			Machinery—		
Raw, ginned.....	57,855	.....	Agricultural.....	185,255	452,131
Lint.....	.....	147,457	Other.....	1,021,369	674,999
Thread and yarn.....	105,616	134,583	Rails.....	.....	42,662
Tissues.....	199,561	3,081,663	Scythes, sickles, etc.....	67,753	18,618
Wadding.....	.....	84,008	Sheets.....	.....	343,302
Earthenware and porce-			Steel.....	226,880	.....
lain:			Tinned plates and gal-		
Earthenware.....	24,736	21,136	vanized iron.....	43,317	62,829
Porcelain.....	190,838	132,016	Tools.....	314,007	11,366
Pottery.....	24,514	7,025	Wire.....	90,924	255,780
Fancy goods.....	.....	816,025	Jewelry and toilet arti-		
Feathers and artificial			cles.....	504,576	.....
flowers.....	1,534	33,971	Jute, hemp, and flax, man-		
Fish, etc., fresh and salted..	57,660	28,236	ufactures of:		
Fruits and nuts:			Gunny bags.....	19,094	181,469
Fruits and berries—			Tissues.....	10,796	64,017
Fresh and pre-			Leather, and manufac-		
served.....	501,768	232,377	tures of.....	443,383	774,100
Dried.....	94,311	41,175	Malt and hops.....	20,888	14,963

Articles.	1907.	1908.	Articles.	1907.	1908.
Metals, and manufactures of:			Provisions—Continued.		
Brass ware.....		\$173,404	Macaroni and vermicelli.....	\$33,643	\$24,173
Copper, aluminum, etc.	\$49,284		Other.....	213,129	499,569
Copper, manufactures of.....	105,945		Pulp for paper.....	29,302	
Currency, silver, and copper.....	40,489		Rice.....	356,707	434,114
Gold, silver, and platinum.....	116,184	117,526	Rope, hawsers, and fishing nets.....	75,185	140,674
Lead.....			Salt.....	185,949	172,208
Pig and sheet.....	44,739	22,400	Silk, manufactures of.....	87,618	322,418
Lead and tinware.....		18,012	Soap.....	125,376	84,775
Pewter and zinc.....	41,783	35,265	Spirits, wines, etc.:.....		
Tinware.....	71,533	210,404	Beer, porter, and stout.....		26,414
Other.....	1,781		Wines.....	397,425	590,045
Mineral waters.....	55,084	33,941	Other.....		340,751
Oils:			Sugar:		
Lubricating and kerosene.....	27	14,792	Raw.....		50,506
Mineral.....		129,508	Refined.....		101,385
Vegetable.....	65,553	13,063	Tallow and animal fats.....	29,641	101,892
Other.....	1,896		Tee:		
Paints, pigments, and dyes:			Black.....	15,434,323	1,148,762
Indigo and bluing.....	17,741	15,117	Brick.....	5,125,008	3,150,531
Red and white lead and zinc white.....	15,871	8,102	Pressed leaf.....	165,845	79,047
Paints, ink, etc.....	185,812	139,464	Textiles, n. e. s.:		
Paper, and manufactures of:			Knitted goods.....	60,141	274,697
Books, pictures, etc.....	15,310	40,237	Laces and lace goods.....	7,549	30,697
Stationery.....	29,468		Tarpaulins, etc.....	39,553	196,002
Waste.....		11,373	Other.....	7,648	
Wrapping.....		195,040	Tobacco and cigarettes.....		17,923
Writing and printing.....	143,105		Umbrellas.....	11,510	6,230
Other.....	175		Varnish and glue.....	13,083	
Pencils, etc.....		23,020	Vegetables.....	220,989	148,370
Pickles, sauces, and spices.....	35,650		Wood, and manufactures of:		
Plants, seeds, etc.....	15,463	18,093	Lumber.....	4,951	9,918
Preserves and pastries.....	964,708	751,737	Wooden ware.....	81,384	122,021
Provisions:			Wool, and manufactures of:		
Butter and cheese.....	30,832		Raw.....	7,446	
Confectionery.....	366,696	111,574	Carpets.....	39,495	48,618
Honey.....	14,626		Tissues.....	77,311	315,612
Meats, salted and smoked.....	11,558		Other.....	5,404	
			Yeast.....	45,479	74,545
			All other articles.....	149,516	338,393
			Total.....	36,149,424	24,670,609

Imports from European Russia in 1907, not included in the above table, amounted to \$9,333,704, making the total imports for that year \$45,483,128. The imports by sea into Vladivostok and other Siberian ports from European Russia in 1908 amounted to \$3,164,018, of which \$852,582 was provisions, \$198,391 raw and partly manufactured goods, and \$2,113,045 manufactured goods. A notable increase is shown in the item of flour, which jumped from \$766,659 in 1907 to \$1,575,379 the next year, and of this latter amount \$1,196,235 worth came from America. Cotton tissues of various kinds showed a remarkable gain in imports, but the United States did not share in this trade.

EXPORTS BY ARTICLES.

Exports of beans more than trebled in amount in comparison with 1907, reaching a total of 146,253,456 pounds in 1908, against 38,930,685 pounds the previous year. Increased exports of fish from Vladivostok resulted from the establishment of new canneries and improvement in methods of handling, herring alone gaining 3,158,031 pounds over 1907. The exports to all countries except Russia in 1908 amounted to 265,527,311 pounds, against 149,026,426 pounds in 1907.

The principal articles exported in 1908 and their values are shown in the following table:

Articles.	Value.	Articles.	Value.
Automobiles.....	\$6,180	Metals:	
Bones.....	12,318	Not manufactured.....	\$8,980
Breadstuffs:		Metal ware.....	26,728
Barley.....	43,476	Oil cake, bean.....	831,062
Bran.....	24,723	Oils, vegetable.....	6,500
Buckwheat.....	91,662	Paints.....	4,061
Corn.....		Paper, and manufactures of:	
Flour.....	10,384	Books.....	2,674
Millet.....	4,226	Paper.....	5,513
Wheat.....	69,944	Provisions:	
Candies and cakes.....	4,221	Butter.....	14,074
Casouthouc, manufactures of:		Other.....	28,099
Shoes.....	1,139	Salt.....	1,824
Waste.....	4,440	Silk goods.....	3,811
Chemicals, drugs and medicines:		Spirits and wines.....	5,867
Drugs and medicines.....	8,947	Tea.....	40,865
Medicinal plants.....	14,223	Vegetables:	
Clocks and watches.....	3,708	Beans.....	1,634,006
Cotton goods.....	77,403	Mushrooms.....	14,759
Fish:		Peas.....	29,924
Fresh.....	19,384	Other.....	3,132
Salted and smoked—		Wood, and manufactures of:	
Herring.....	84,066	Lumber and timber.....	10,318
Other.....	30,858	Wooden ware.....	3,453
Furs and pelts.....	7,538	Wool, and manufactures of:	
Glass, manufactures of.....	2,122	Raw.....	13,488
Hides.....	4,882	Woolen goods.....	4,419
Horns and hoofs.....	26,160	All other articles.....	56,381
Instruments, musical.....	3,076		
Leather and leather goods.....	12,820	Total.....	3,232,171
Linen and linen garments.....	14,549		

IMPORTS AND EXPORTS BY COUNTRIES.

Of the foreign commerce, exclusive of the trade with European Russia, the imports in 1908 amounted to 390,769,397 pounds against 449,343,981 pounds in 1907, while the exports in 1908 were 265,527,311 pounds, against 149,026,426 pounds in 1907. Of the imports in 1908, China supplied 130,045,668 pounds, Germany 98,714,499 pounds, Japan 86,905,045 pounds, and the United States 50,388,374 pounds. The exports were distributed as follows:

Country.	1907.	1908.	Country.	1907.	1908.
	<i>Pounds.</i>	<i>Pounds.</i>		<i>Pounds.</i>	<i>Pounds.</i>
United States.....	117,482	44,960	United Kingdom.....	67,124	19,746,078
China.....	19,985,736	45,776,438	Other countries.....	591,040	8,844,298
Germany.....	598,892	4,983,492			
Japan.....	127,013,222	170,771,265	Total.....	149,026,426	265,527,311
Korea.....	652,930	15,360,780			

TRADE WITH THE UNITED STATES.

In 1908 the United States supplied only 50,388,374 of the 390,769,397 pounds of imports into Vladivostok from countries other than Russia, and took only 44,960 of the 265,527,311 pounds of exports, a decrease of 72,522 pounds from the 1907 exports, or more than half.

The following table of articles imported from the United States in 1908 shows flour to have been the principal item:

Articles.	Value.	Articles.	Value.
Boots, shoes, and leather goods.....	\$1,963	Iron and steel, manufactures of—Con.	
Breadstuffs:		Machinery—	
Flour.....	1,196,235	Agricultural.....	\$286,930
Oats.....	21	Other.....	4,485
Candies, biscuits, etc.....	62,758	Tools.....	128
Carriages.....	4,326	Knitted goods.....	742
Caoutchouc, manufactures of.....	216	Oils, lubricating, and kerosene.....	6,358
Fancy goods.....	927	Paper, and manufactures of:	
Fruits and nuts:		Pictures, books, etc.....	2,585
Fruits and berries.....	4,063	Wrapping.....	2,585
Oranges and lemons.....	199	Preserves and pastries.....	39,840
Nuts.....	45	Rope, hemp.....	66,589
Furs.....	276	Tallow and animal fats.....	27,872
Gunny bags.....	204	Tea, black.....	276,262
Hides, tanned.....	2,420	Tobacco and cigarettes.....	2,738
Instruments, surgical.....	121	Wood, manufactures of.....	1,191
Iron and steel, manufactures of:		Woolen goods.....	206
Arms and parts.....	912	All other articles.....	18,063
Boiler plates.....	235		
Iron and steel ware.....	140	Total.....	2,011,675

In the exports to the United States there was a large gain in wool which, with no exports in 1906, amounted to \$19,240 in 1907, and increased in 1908 to \$40,281. The export trade to the United States is of small proportions, the total for the two years being only \$103,463, and the returned American goods \$11,546. The declared exports in 1907 and 1908 were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Balsam.....	\$58	.....	Wool.....	\$19,240	\$40,281
Cartridges.....	400	.....	All other articles.....	894	1,285
Currency.....	.....	\$26,368	Total.....	28,842	74,611
Personal and household effects.....	530	1,062	Returned American goods.....	10,536	1,010
Rubber, waste.....	7,730	4,429	Grand total.....	39,378	75,621
Skins.....	.....	82			
Tea.....	.....	1,065			
Tobacco.....	.....	109			

TRADE WITH CHINA—IMPORTS OF TEA.

According to Chinese official returns for 1908, the total trade of that country with Siberia amounted to \$20,540,641, of which \$15,215,197 represented imports and \$5,325,444 exports. Russian statistics give Vladivostok's share of the Chinese trade as \$9,425,729 imports and \$745,345 exports. Reexports of foreign goods from China to Siberia amounted to \$3,001,370 in 1908, as compared with \$1,576,910 in 1907.

The imports of tea into Siberia from China aggregated 107,212,933 pounds. Besides the leaf and brick tea forwarded via Tientsin to Siberia and Russia, considerable quantities were sent from Hankow and vicinity up the Han River to Fancheng, where caravan transportation was resorted to. During 1908, 228,933 pounds of leaf tea, valued at \$16,097, were thus forwarded to Siberia and Mongolia.

According to Russian figures, the imports of tea from all foreign countries into Vladivostok, including transshipments to other custom-houses in European and Asiatic Russia, were as follows: Black tea, 53,165,567 pounds; brick tea, 68,538,409 pounds; cake tea, 1,618,467 pounds; green tea, 3,069 pounds; total, 123,325,512 pounds, of which

38,892,010 pounds came from China into Vladivostok, but the country of origin of the 80,630,981 pounds of transshipment tea is not shown. Of the remaining 3,802,521 pounds, 1,291,427 pounds of black tea came from America.

In discussing the imports into China, the acting statistical secretary states: "The figures of Russian trade were materially increased by the opening of the frontier stations of Suifenhö and Manchouli, and show a total gain of \$4,750,000." Under the exportation of tea to Siberia he states: "The low exchange gave an undue impetus to shipments, and there is reason to fear that the stocks of China tea carried over from 1908, both in the United Kingdom and in Russia, may block operations in the coming season. There were 129,265,733 pounds of leaf and 78,775,333 pounds of brick tea exported, as compared with 129,743,333 pounds and 80,563,467 pounds, respectively, in the preceding year. Shipments to Russia declined from 131,866,666 to 128,666,666 pounds."

In speaking of the Siberian and Manchurian frontier, he states as follows regarding shipments of firewood and flour: "The great exportation of firewood across the frontier from Suifenhö, 1,008,000,000 pounds, valued at \$1,890,000, seems to point to deforestation on an alarming scale, and the flour which also crossed the northern frontier, 49,259,333 pounds, valued at \$838,569, is an earnest of the food-producing possibilities of Manchuria."

POPULATION AND COST OF LIVING.

The population of Vladivostok on January 1, 1909, was estimated as 82,494, composed of 45,605 Russians, 1,842 Japanese, 3,022 Koreans, 31,061 Chinese, and 964 other foreigners. These figures are probably based on the number of passports registered by the police, and the number representing Koreans and Chinese ought to be increased at least 30 per cent. Statistics of arriving and departing passengers at Vladivostok, as compiled at the captain of the port's office, give the number of arrivals in 1908 as 55,803, against 107,604 in 1907, and departures 36,026, against 76,309 the year before. Official figures placed the number of buildings, on January 1, 1909, as 7,072, of which 3,799 were wooden houses one story in height. There were 816 one-story brick houses and 406 brick structures two stories high. Fire damages were \$113,524, and the number of crimes 3,161. There were 123 violent and accidental deaths. Figures compiled by the local administration show that on January 1, 1909, there were 60 manufacturing establishments in the city, employing 1,082 men, and the total value of the products was \$588,012.

The cost of living is gradually increasing. The average market prices asked in Vladivostok in 1907 were: California flour, 3 cents a pound; fresh beef, 11 cents per pound; salt beef, 7 cents; fresh and salt pork, 12 cents; fresh venison, 9 cents; mutton, 10 cents; veal, 20 cents; fresh butter, 36 cents; lard, 18 cents; fresh milk, 10 or 11 cents a bottle; sugar about 8 cents a pound, and eggs \$1.17 per hundred. Wages averaged \$1.50 a day for laborer and horse, or 45 cents a day for a laborer without a team.

The municipal revenues in 1907 amounted to \$653,284, and expenditures during the same year to \$612,780. The real estate tax rate is forty-five one-hundredths of 1 per cent of the value or $4\frac{1}{2}$ per cent of

the net income, and one one-hundredth of 1 per cent to cover the expenses of collection of same and the collection of the government and county taxes. Private and public carriages, carts, rowboats, lighters, barges, etc., all pay their share of the city taxes. Eating houses are taxed from \$30.90 to \$154.50 per annum, restaurants from \$128.75 to \$257.50, liquor licenses cost from \$2.57 to \$38.60, and auctions are taxed 2 per cent of the gross amount of sales by the city government. There are 5 hotels, 4 theaters, and 5 moving-picture enterprises in the city, and 3 papers are published.

HABAROVSK AND BLAGOVESCHENSK.

Habarofsk, the capital of the Pri-Amur district and the residence of the governor-general, was founded in 1858, and is the center of the military and civil administrations. The population was estimated in 1908 at 38,902, exclusive of the military. Comparatively speaking, Habarofsk is of small commercial importance, although its position on the Amur River at its junction with the Ussuri River gives it many natural advantages. But one newspaper, the Pri-Amur News, is published. The city has three banks.

Blagoveschensk, which is the largest city in the Amur Province, was founded in 1858, and is situated on the Amur River at the mouth of the Zeya. In 1882 its population was only 10,000, but it is now estimated that the city numbers 40,000 inhabitants, and this rapid growth promises to continue, as Blagoveschensk is the distributing center for the richest agricultural district in this part of the Russian Far East, and is likewise the center of the gold-mining industry of the upper Amur River. The trade of Blagoveschensk in 1908 amounted to about \$2,500,000, and there are about 200 firms doing business there. The city is the headquarters of many of the Amur steamship companies, and is a large military center, with every prospect of becoming the manufacturing and commercial center of eastern Siberia. There are two principal hotels, and five banks have branches in Blagoveschensk.

OTHER CITIES OF THE DISTRICT.

Nikolaiefsk was founded in 1852 and is situated on the left bank of the Amur River, about 20 miles from its mouth. It was formerly a trading station of the Russo-American Company, and from 1855 to 1872 was used as a naval port. The population of the city is 10,795, not including the military, and the turnover of business amounted to about \$2,250,000 in 1908, but the recent growth of the fisheries promises to make Nikolaiefsk of more importance and, should the timber industry of the upper Amur be properly developed, Nikolaiefsk would undoubtedly be the port of shipment. The Russo-Chinese Bank has a branch in this city. The import trade of the port is by no means insignificant, amounting to 139,864,212 pounds in 1907, against 165,702,456 pounds in 1906 and 49,561,920 pounds in 1905.

Exports from Nikolaiefsk in 1906 were 25,458,912 pounds of salted fish and 109,892 pounds of personal effects, but the next year they included: Drugs, 617,616 pounds; dry goods, 97,202; fish, salted, 45,362,844; flour, 157,608; groceries, 456,948. The figures being compiled from ships' manifests, the values in American currency can not be obtained.

Nikolsk is a small but growing manufacturing center of the Maritime Province, being situated at the junction of the railway lines running from Vladivostok to Habarovsk and Harbin; and, although its growth is not as promising as that of Blagoveschensk, it should, nevertheless, be of considerable importance as a manufacturing center as eastern Siberia becomes more thickly populated and better developed. It is also a military center, and in 1908 its population was 31,905, exclusive of the army. Two banks have branches in the city.

Of late years the growth of Chita, the capital and by far the most important city in the trans-Baikal district, has been very rapid. It is the trading point for a large agricultural and mining district, and is also a railway center. Its streets are well laid out and paved, many new buildings are in course of construction, and there are about 150 firms doing business, with an annual turnover of \$2,000,000 to \$2,500,000. The population is estimated at more than 35,000. There are three newspapers published in the city, and four banks have branches there.

SIAM.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL CARL C. HANSEN, BANGKOK.

The foreign trade of Siam in the fiscal year ended March 31, 1909, amounted to \$64,814,974, against \$63,720,141 in the previous year. The imports were valued at \$28,038,548, a decrease of \$289,320, and the exports at \$36,776,426, an increase of \$1,384,153, compared with the figures for 1908. Of the imports in the fiscal year 1909 Hongkong and Singapore supplied articles valued at \$13,659,037 and of the exports took merchandise worth \$25,850,711. This is due to the fact that these two places are ports of transshipment, the origin of goods not being given in the custom-house declaration.

The imports into and exports from Siam, by countries, for the years ended March 31, 1908 and 1909, respectively, were as follows:

Country.	Imports.		Exports.	
	1908.	1909.	1908.	1909.
United States.....	\$424,443	\$440,734	\$845	\$754
Austria-Hungary.....	160,186	122,941	126,832	1,897
Belgium.....	299,164	488,410	.....	35,560
China.....	2,205,684	2,416,527	80,984	6,338
Cochin-China.....	215,796	428,892	210,339	109,742
Denmark.....	184,061	126,936	111,379	168,923
Dutch possessions.....	562,936	510,523	48,569	14,294
France.....	387,174	275,016	163,144	92,110
Germany.....	1,508,861	1,838,956	268,732	1,540,439
Hongkong.....	7,711,927	6,445,999	12,537,575	9,656,510
India.....	1,841,493	1,396,788	3,204,747	2,359,858
Italy.....	141,711	129,742	121,546	18,432
Japan.....	181,622	357,979	218,113	65,594
Netherlands.....	355,820	370,613	565,634	166,838
Straits Settlements (Singapore).....	7,471,207	7,213,038	13,081,723	16,194,201
Switzerland.....	317,310	253,379	.....	1,493
United Kingdom.....	4,200,496	4,767,858	1,313,620	1,297,528
All other countries.....	153,977	454,217	3,338,501	5,045,915
Total.....	28,327,898	28,038,548	35,392,273	36,776,426

IMPORTS AND EXPORTS BY ARTICLES.

The principal articles imported into Siam during the fiscal years 1908 and 1909, respectively, are shown in the following table:

Articles.	1908.	1909.	Articles.	1908.	1909.
Animals.....	\$15,470	\$10,698	Jewelry.....	\$563,867	\$717,001
Arms, ammunition, etc.	41,646	52,998	Lamps and parts.....	214,533	113,997
Bags.....	1,080,792	1,064,575	Leather, manufactures of:		
Books and printed matter.....	22,900	24,146	Boots and shoes.....	78,810	102,720
Cars, carriages, etc., and parts.....	145,323	250,998	Other.....	96,297	116,646
Cement.....	158,273	140,099	Metal goods.....	277,968	282,893
Chemicals and drugs.....	384,062	358,344	Oils:		
China and earthenware.....	319,702	332,628	Kerosene.....	661,405	663,615
Clothing.....	271,568	308,181	Lubricating.....	49,769	45,113
Colors, paints, and dyes.....	209,637	178,841	Other.....	540,226	469,407
Cordage and twine.....	136,716	127,553	Opium.....	597,553	644,043
Cotton goods.....	5,401,842	5,515,603	Paper, and manufactures of.....	212,353	250,537
Electrical apparatus, etc.....	115,140	296,446	Provisions.....	2,330,867	2,257,775
Glass and crystal ware.....	170,999	151,621	Silk, and manufactures of.....	1,014,420	1,332,610
Gold leaf.....	2,517,862	1,686,228	Soap.....	96,572	81,744
Hats, caps, and bonnets.....	141,083	157,617	Spirits, wines, etc.....	577,140	546,142
Iron and steel, and manufactures of:			Sugar.....	942,244	926,643
Cast and wrought.....	541,108	411,603	Tes.....	232,493	315,834
Hardware and cutlery.....	522,099	425,719	Tobacco, and manufactures of:		
Machinery—			Treasure.....	307,896	365,696
Marine.....	101,940	81,994	Umbrellas.....	1,865,472	1,945,281
Milling.....	88,016	131,946	Wax and candles.....	176,559	188,807
Other.....	76,108	72,304	Wood, manufactures of:	113,771	108,958
Machines—			Furniture.....	91,229	98,882
Sewing.....	39,344	13,777	Flanks, etc.....	359,458	404,788
Other.....	205,750	134,358	Other.....	22,181	29,406
Railroad materials.....	447,419	510,670	All other articles.....	2,968,075	2,996,150
Sheets, galvanized.....	396,183	317,965			
Wire.....	51,310	36,628	Total.....	28,327,868	28,038,548
Other.....	348,182	264,356			

The leading items exported from Siam during the fiscal years 1908 and 1909, respectively, were as follows:

Articles.	1908.	1909.	Articles.	1908.	1909.
Cardamoms.....	\$58,844	\$70,500	Rubies.....	\$21,492	\$20,338
Fish, salted.....	488,292	672,167	Sticklac.....	94,401	48,804
Hides.....	361,377	398,121	Teak wood.....	4,806,265	4,250,907
Mussels, dried.....	91,091	143,736	Tin, oxide of.....	11,038	12,756
Pepper.....	278,948	197,741	All other articles.....	1,939,997	1,264,072
Rice and paddy.....	27,209,324	29,681,143			
Rubber.....	31,204	7,141	Total.....	35,392,273	36,776,426

TRADE WITH THE UNITED STATES.

The imports into Siam from the United States direct during the fiscal years ended March 31, 1908 and 1909, were valued at \$424,443 and \$440,734, respectively. The articles were as follows:

Articles.	1908.	1909.	Articles.	1908.	1909.
Arms and ammunition.....	\$382	\$342	Iron and steel—Continued.		
Books, etc.....	812	274	Machinery.....	\$25,248	\$5,274
Cars, carriages, motors, etc.....	8,003	3,808	Sewing machines.....	30,997	6,926
Clothing.....	473	666	Other.....	15,290	17,772
Cordage and twine.....	785	1,226	Lamps and parts.....	72,946	11,646
Cotton goods.....	303	336	Leather, and manufactures of.....	334	660
Electrical apparatus, etc.....	4,132	18,672	Oils:		
Fish, salmon.....	510	1,043	Kerosene.....	146,867	193,606
Furniture, etc.....	2,631	3,210	Lubricating.....	28,979	28,919
Glassware.....	1,987	1,071	Provisions.....	14,572	8,646
Instruments, musical.....	1,147	5,027	Tobacco, and manufactures of.....	25,118	76,163
Iron and steel, manufactures of:			All other articles.....	23,796	39,464
Hardware and cutlery.....	12,645	11,667			
Iron and steel goods.....	8,377	4,316	Total.....	424,443	440,734

The Government of Siam has given every opportunity to importers. The customs tariff is low and all nations are given equal opportunities to increase their trade. Siam is full of commercial and other possibilities. In cases where branches of American houses have been established in Bangkok the imports from the United States compare favorably with those of other countries in similar lines. The same holds good of special articles of American manufacture, which, since once introduced, have been in steady demand, although no special effort has been made to push their sale.

The value of goods received directly from the United States does not by any means account for the total sales of American products in Siam. Large quantities are bought from European commission houses, which are not credited to the country of origin but to the port of last shipment. Many firms in Siam prefer to buy American goods in England, as they get them more quickly than when they order directly from the United States. Siam custom-house authorities admit that large quantities of American goods have been credited to Singapore and Hongkong.

The declared values of exports from Bangkok to the United States during the calendar years 1907 and 1908, respectively, were \$59,399 and \$149,285, respectively. The principal articles in 1908 were: Rice, \$134,406; household goods, \$4,556; pepper, \$7,484; gamboge, \$1,152, and rubber, \$1,113.

INDUSTRIAL CONDITIONS.

American enterprises in Siam are limited to one printing house, one import and export house, the Standard Oil Company, one house importing American typewriters, and a dental establishment.

The British interests are represented by about fifty firms engaged in mining, teak-lumber trade, rice milling, general exports and imports, insurance and banking. The German interests are represented by 15 business concerns: Danish, 4; French, 9; Italian, 4; Japanese 9; Austrian, 2, and Belgian, 1.

It seems that a well-equipped American business house should do well in Bangkok. Such a house should be prepared to submit bids and take contracts from the Siamese Government for large supplies of materials, such as may be needed for railroad building, waterworks, irrigation and sewerage systems, rice machinery, motor cars and boats, shipbuilding, and general imports. It is understood that about \$1,000,000 will be set aside for waterworks within the next three years. The water supply will be taken from the Meh Nam River, about 25 miles to the north of Bangkok, so that a large quantity of piping and an extensive pumping plant will be needed, and there should be a steady market for tools and machinery. The completion of the waterworks is to be followed by a modern scheme of drainage for the city. The British-Siamese treaty also provides for an expenditure of \$20,000,000 on the Southern Siamese Railway from Bangkok to the Anglo-Malayan boundary. This not only opens a market for all kinds of railway material, but will also open new fields for mines and for rubber plantations. The primitive methods of rice cultivation will also soon be changed and modern machinery will be needed. There are practically no factories in Siam. The industries are limited to the cultivation and milling of rice, the lumbering and sawing of teak wood, and the mining of tin, so that the things needed for the modern development of Siam must come from abroad.

MINING AND MINERAL RESOURCES.

Siam has a regularly organized royal department of mines and geology to which application may be made for mining concessions, and the Siam mining act of 1901 gives the regulations that govern such concessions.

An ordinary prospecting license gives the holder the right to search for minerals over any waste land within a specified district, and an exclusive prospecting license gives the holder the exclusive right to prospect within a certain definite area not exceeding 1,200 acres. These licenses are good for one year only. Mining leases may be issued for a period not exceeding 25 years. Applicants may be required to show that they have capital sufficient to work the land applied for. The director-general of the mining department arranges the fees and royalties and other matters. The mineral resources of Siam include gold, tin, copper, iron, zinc, coal, rubies, and sapphires.

Tin has proved to be the most important mineral worked so far. The mining center for this mineral is Monthon Puket on the west coast of the Malay Peninsula. During 1907 nearly 5,175 tons of tin and 4,519 tons of tin ore were sent from this territory to Singapore and Penang. The total annual production of Siam is about 5,144 tons, valued at about \$4,110,000. The Duff Development Company has a concession in Kalantan, in which gold is the chief mineral worked for. This company has four dredges on the Kalantan River, which flows into the east coast of the Malay Peninsula. The dredges have been working about 100 miles inland, where the river is from 600 to 800 feet wide. The biggest return the company has had so far from one dredge is 375 ounces in one week. There are a number of smaller rivers on the Malay Peninsula in which only little prospecting has been done. This country is in a wild state, and so far practically nothing has been done to develop the mining industry there. The ruby and sapphire mines in Chantaboon and Krat are worked chiefly by the Shans and Burmese. The total value of the stones exported from Bangkok to Europe in 1907-8 was \$21,641.

A large deposit of coal was discovered four years ago in Monthon Puket, but the coal is not of a very good quality, being chiefly lignite. A copper mine opened in Chantuck did not prove profitable and had to be closed some time ago. Lead mining in Jalu was also discontinued on the fall in the price of that mineral. The working in iron mines is insignificant. The north of Siam remains as yet unexplored as to its mineral resources, having been practically inaccessible because of lack of transportation facilities. This condition is being remedied by the Northern Railway extension.

AGRICULTURE—RAILWAYS.

Crooked sticks with one handle still form the plows in Siam, and the water buffalo, guided by a string through its nose, is the motive power. Experiments are being tried with the steam plow, but the difficulty is the soft ground or mud through which only the water buffalo can work its way. The only agricultural product worthy of note is rice. The exports of rice reach about 900,000 tons yearly. White broken rice for brewing purposes to the value of \$134,406 was exported to the United States last year, while in 1907 the exports amounted to only \$10,967. Of the total exports of rice, about 50

per cent goes to Hongkong and 40 per cent to Singapore. The first power rice mill erected in Siam was built by American engineers in 1858. The rice-milling industry is at present in the hands of the Siamese, British, French, and Germans.

The total length of state railways open to traffic in October, 1908, was 485 miles. These railways have been constructed at an expense of about \$18,000,000. The Government has decided to take no additional loan for the purpose of extending the Northern Railway farther north. It is expected that with the money on hand the railway will be completed as far as Sala Meh Puak, which is the end of the caravan route from Phre and southwestern China. It is intended to make good roads from this terminus to Phre, Nan, Lakon Lampang, and Chiangmai. The reason for this curtailment of the Northern Railway is that the line does not yield satisfactory returns beyond Paknampo. The traffic on the state railways for the fiscal year ended March 31, 1908, yielded a net profit of 5.85 per cent on the capital outlay.

The existing system of railways runs to the north through the Monam Valley, with the exception of a few miles from Bangkok southward. According to the as yet unsigned treaty of Great Britain and Siam, the Federated Malay States will lend the sum of about \$20,000,000 to Siam with which to build a railway linking the Siamese and Federated Malay States systems, and the Federated Malay States will construct a railway along the east coast of the peninsula through Pahang, Kalantan, and Tringanu. A section of the Pahang line is in course of construction, and the line through Johore will soon be opened for traffic. With the completion of these systems, Singapore, which is over 900 miles distant, will be connected with Bangkok by rail. For four to five months of the year, the east coast of the peninsula is inaccessible for even small steamers, as it has no harbor. This condition has always hindered the development of the country on the eastern side. The new railway, it is expected, will attract much capital to this rich territory. Not only the Federated Malay States, but the whole Malayan Peninsula are certain to derive immense material and economic advantages from the opening of through railway communication between Bangkok and Singapore.

Besides the state railway Siam has 66 miles of private railroads, divided among four companies. Of these the Paknam Railway Company (13 miles narrow gage) paid a dividend of 8 per cent last year, and the Moklong Railway Company (21 miles narrow gage) paid a dividend of 5 per cent.

TRAMWAYS AND TELEPHONES—LABOR CONDITIONS—SHIPPING.

The tramways of Bangkok are owned by the Siam Electricity Company (Limited), a Danish company, which paid a dividend last year of 12 per cent and a bonus of \$1.50, and the Siam Tramway Company. The total extent of both lines is 23 miles, and they have the overhead-trolley system.

In May, 1908, the Government asked for bids for a telephone installation of the central-battery system, arranged on the common-battery principle for 1,500 subscribers. The electric power is to be obtained from the Siam Electricity Company and is to be of 100 volts, 100 cycle single phase, with two sets of motor generators.

The work was begun in December, 1908, and is nearly ready for 700 subscribers. The rate is \$5.50 monthly. The successful bidders were a firm in Stockholm, Sweden.

Most of the labor employed on all new enterprises is Chinese. The number of Chinese in Bangkok is estimated at 200,000, and for the whole of Siam 600,000. For the fiscal year 1907-8 Chinese immigrants to Siam numbered about 88,000 and emigrants about 53,000. The total population of Siam amounts to about 7,000,000.

The Germans and Norwegians lead in the Bangkok shipping. The British, Dutch, and Siamese come next in the order named. No American vessels cleared from the port of Bangkok during 1908. A notable event this year in Siamese shipping was the running of the first steamer under the Siamese flag directly between Bangkok and European ports. This is to be a regular service. Two boats of a cargo capacity of 4,500 tons are now on this run. The Siam Steam Navigation Company (Limited) has placed orders in Europe for two new steamers for the run between Bangkok and Hongkong.

TURKEY IN ASIA.

ALEPPO.

By CONSUL JESSE B. JACKSON.

The trade between northern Syria and the United States is slowly developing, and the results, if care is taken, will be far-reaching and profitable to both countries. The steady revival from almost universal lethargy in business is noticeable in many branches of trade. The flood of inquiries coming into this consulate from American exporters of various articles that are in demand in this country indicates that Americans are alive to the fact that a share of the foreign trade of this district is worth striving for. If they will persistently follow up their efforts along their respective lines, the results can not be otherwise than satisfactory. Many new articles are being inquired for, and new goods that a few years ago were unknown are being put upon the market.

The Turkish attitude toward Austrian goods and shipping that prevailed in this country for the three months ending in March, 1909, caused that country, always a big provider of various manufactures consumed in this district, to be practically cut off from communication. The rapidly changing political conditions of the country have caused certain uneasiness and great depression in business circles. Following these unexpected events, the large stocks of merchandise usually carried by Aleppo merchants have been reduced to a minimum and connections have been severed or suspended between European exporters and unfortunate dealers here. This gives further opportunity to American exporters to make profitable arrangements for the handling of their goods.

TRADE OPPORTUNITY—CORRESPONDENCE—CATALOGUES.

The United States ranks third in the amount of goods purchased in this district and ninth in the amount sold here. The present time offers exceptional opportunities for getting in touch with the firms of Aleppo. It is not simply a question of the trade of a city of 200,000 inhabitants, but that of the surrounding country with a population

of several millions, and reaching far up into Asia Minor, down into Mesopotamia and into Persia.

While there are some glowing prospects for the opening of American trade in this vicinity, there are some things to remedy before American firms can make satisfactory connections with the Syrian traders. It should not be expected that a business man of this country who is not conversant with English—though the merchants here always know two, three, or more other languages—will pay the slightest attention to a letter, catalogue, or other correspondence in English from an unknown house, when he daily receives communications from his regular firms in French, German, or Italian. Practically all of the business houses here employ French, though they also use the other languages mentioned, and it may just as well be understood in advance that the correspondence, catalogues, price lists, weights, and measurements must be in French if satisfactory results are to be obtained.

PACKING FOR OVERLAND TRANSPORTATION BY CAMELS—INSURANCE.

If there is anything that hurts export business, it is careless and inadequate packing, not only insufficient packing, but a disregard by the shipper of instructions from the buyer on this subject. Unless boxes are constructed of sound timber, at least 1 inch in thickness and well bound with strap iron and the contents secured so that they do not shake around or rub in the case, the goods become damaged and quantities are lost or stolen, and as a result the consignee is justified in refusing to accept the shipment. Often cases are poorly addressed, the names being written with a brush, when stencils at least two to three inches in height should be used.

When at all possible, boxes should weigh from 125 to 175 pounds, in order to make half a load for a camel, as that is the principal means of conveyance from Alexandretta to the interior. Should the boxes be overweight, they must be knocked to pieces and the contents repacked to suit this method of transportation, and when once unpacked they can never be properly repacked by inexperienced hands. Such an occurrence causes so much dissatisfaction among local merchants that an order will rarely be repeated to a firm which does not pack the goods to suit the local necessities. European competitors learned this lesson long ago and follow it. Silk and dry goods, which are damaged by sea air and water, should be packed in tin-lined boxes.

The importance of insurance against loss or damage should not be overlooked, as well as insurance against theft. It is a common occurrence for packages to be received that are short a part or all of the contents, possibly because of inferior packing, but often because of a lack of precaution to have them insured against loss by theft. This protection, while costing very little, is necessary in connection with the shipment of certain kinds of goods destined for these parts.

ALEPPO MERCHANTS WANT TO IMPORT DIRECTLY.

Many reputable houses in the United States have given the sole agencies for their goods to firms either in Constantinople, Smyrna, or Beirut, and sometimes in Alexandria, Egypt. This action frequently deprives the local dealer of a suitable opportunity to purchase Amer-

ican goods that will sell in these markets, and compels him to go to the sole agent with his orders, if he gives any, knowing that he is paying 5 to 15 per cent more for the goods than if he bought direct.

It would be a profitable move on the part of American houses if they would discontinue this method of doing business, especially when the agent and customer are not located in the same city. Aleppo should be cut out of the territory controlled by agents in any other city, as there are various reliable commission houses here well able and desirous of handling any line of goods. This was most forcibly impressed upon the writer a short time ago when a local dealer was asked why he did not handle a certain article, to which he replied that he had been unable to buy except through a Constantinople agency, which fact compelled him to let it alone, as that agent made all of the profit.

One of the chief hindrances to the successful exploitation of American trade in Syria is the absence of direct transportation lines between here and the United States. All goods must arrive in Europe and be transshipped over the English, German, French, Italian or Greek lines, and not infrequently they arrive at a much later date than had been anticipated by the buyer, which fact may cause him to miss his market and compel him to carry the goods over to another year. European competitors can place their goods on the market without great delay, thereby avoiding any such disagreeable and costly results. This inconvenience may be overcome in the case of small parcels by utilizing the parcels post facilities existing between the United States and certain foreign countries of Europe that have post-offices established at Alexandretta and Beirut, Syria. The foreign post-offices at the former place are the Russian, Italian, French, and Austrian. At Beirut there are British and German post-offices in addition to the foregoing. Care should be taken not to confuse Alexandretta, Syria, with Alexandria, Egypt, as is frequently done by American shippers.

TRAVELING SALESMEN NECESSARY.

Competent traveling salesmen should be sent to Syria at frequent intervals, at least annually, in order that American firms may learn the demands of the trade and how to meet them. Such salesmen must necessarily know the languages of the country and be acquainted with the manners and customs of the people. In this country a salesman can not rush around taking orders as he is accustomed to doing in the United States, but generally he secures a local commission merchant as his representative, at whose place of business he makes his headquarters, and the merchant then invites the dealers to inspect the samples, and orders are taken, usually through the joint-persuasion of the salesman and the commission agent. Considerable time is allowed to permit the customer to arrive at a decision and select what he wants. Any effort on the part of the salesman to rush the business will usually be looked upon by the prospective customer with disfavor, and may spoil the chances of a sale.

It frequently happens that a firm in the United States does not feel justified in sending a traveling man to represent it. In that case it would seem practicable for several noncompeting firms to combine and send a competent man who may be authorized to handle their respective lines. In this way a certain American salesman, who

recently visited Aleppo, made excellent arrangements and took orders far beyond his expectations for nearly every article he handled. Some of the merchandise ordered has already arrived and has given eminent satisfaction.

European houses send their traveling representatives at least annually to visit and keep in touch with the trade, thereby almost completely shutting out any efforts on the part of American firms to do business by the catalogue method. As American products enjoy a splendid reputation here, exporters will have no trouble in securing business if they send representatives who are competent to handle the trade, cater to the customs of the people, and pack their shipments properly.

BETTER TERMS OF PAYMENT REQUIRED.

One of the most serious and important complaints made by the merchants of this country against business houses in the United States is that of their continued refusal to grant any terms except cash. When goods are bought by the local firms they are always asked to pay cash, or that a credit be opened in London or Paris, the best possible terms granted being cash against documents, and this but seldom. On the other hand, if American houses are purchasing here they demand from three to six months credit. Under the financial circumstances in which the people of Syria are situated it would seem to be more equitable if these demands were just reversed, for in the United States money is worth only 6 or 7 per cent, while here the rates run from 10 to 15 per cent, and funds are scarce and difficult to secure even on those terms. To make matters worse for American merchants, the terms insisted upon here are freely granted by European firms, who consequently carry off the business. American exporters could at least accept cash against documents in all cases.

ARTICLES SUITABLE FOR THIS MARKET.

The masses of the people adhere to the ancient manners and customs of dress, traffic, industry, cultivation, etc., and all efforts to coax them out of that state seem futile. Many of the better educated inhabitants of the cities and towns who come into daily contact with foreigners have gradually acquired some of the customs of the latter, and it is to these that modern manufactured articles appeal.

The following-named articles, many of which are already on the market, can be exploited with a reasonable expectation of success: Agricultural and farming implements, automobiles, beer, boots and shoes, brushes, both bristle and wire, canned goods, carpenters' tools, carriages, carriage wheels and other parts, cot beds, cotton-seed oil, cooking utensils, cotton goods, cutlery, decorative glass windows, dental supplies, drilling machines, drugs and chemicals, electric fans, fancy dress goods, files, filters, fountain pens, furnishing goods, furniture, galvanized roofing, gasoline and petroleum lamps, glass and glassware, glazed kid, grinders and tool sharpeners, hardware, harness, harness leather, iron bedsteads, iron-working machinery, jewelry, lamps and chimneys, leather, artificial leather, heels, letter-presses, linoleum, oleo oil, oleomargarine, office supplies, oil cooking and heating stoves, paints, varnishes, stains, petroleum products, phonographs and records, photographic supplies, pianos, organs and other musical instruments, playing cards with designations in French, pneumatic tires for bicycles, rubber goods, saddles, saws, safety

razors, strops, shaving soap, shoe polish, stationery, blotting paper, sporting goods, revolvers, guns, etc., tools, toilet preparations, watches, clocks, whisky, wind pumps, wire fencing, and wood-working machinery.

Durability, simplicity and attractiveness are the essential qualities that appeal to the trade, and as American products usually possess these requirements it is not difficult to understand the secret of the popularity of American goods. When once the market is in possession of American exporters they seldom lose it. That is why just now, when this country is opening up more freely to foreign manufactured articles, they should be more alert to grasp the opportunities held forth here, and should strive to get into the market.

There is room here for an American commission house, one that would make a specialty of American goods. Every European country is so represented, which fact goes a long way toward retaining for their respective houses the lucrative business each enjoys. An energetic American firm located here would give a great impetus to trade in American goods.

IMPORTS BY ARTICLES AND COUNTRIES.

Imports and exports pass principally through Alexandretta, which is nothing more than the port of Aleppo and the surrounding interior. A small share of the imports into Aleppo come through the port of Beirut. According to the statistics prepared from the returns of the various shipping agencies of Alexandretta, the sum total of merchandise handled in the calendar year 1908 was 65,138 tons, valued at \$16,357,309, of which 24,401 tons, valued at \$9,222,352, were imports and 40,737 tons, valued at \$7,134,957, were exports. Of the foreign countries the United Kingdom sells the largest amount, and as usual the dominant article is cotton goods, with France, Austria, Italy, and Germany coming next in the order named, and the United States ranking ninth.

In the following statement are given the articles of import, the total value of goods imported from all countries, and the amounts furnished by the United States, United Kingdom, France, Austria, Italy, and Germany, respectively, in the calendar year 1908:

Articles.	Total imports.	United States.	United Kingdom.	France.	Austria.	Italy.	Germany.
Coffee.....	\$45,550		\$15,329	\$876	\$10,512		\$15,539
Copper.....	111,921	\$779	80,589	3,066	3,723	\$876	
Cotton goods.....	4,200,545	11,242	3,255,494	43,020	126,529	297,830	121,225
Drugs.....	214,711	973	35,282	98,109	10,220	14,794	26,220
Dyes.....	53,194		1,713	4,453	28,907	6,714	7,971
Glassware.....	64,744		14,478	3,066	10,463	511	20,147
Hardware.....	619,879	10,220	26,887	39,419	88,570	12,702	17,130
Iron, and manufactures of.....	146,322	11,855	16,351	3,066	27,593	4,068	24,440
Lead, zinc, etc.....	180,076	973	70,078	16,643	19,709	10,375	14,891
Leather and skins.....	509,814	3,504	161,689	263,034	10,512	6,813	17,519
Paper and stationery.....	114,330	190	779	7,300	51,463	12,653	10,818
Pepper and peppermint.....	19,466		12,361	2,336	584	1,752	
Provisions.....	133,832	1,752	28,128	1,703	24,333	7,494	3,407
Sacks and sackings.....	121,506		96,080	14,580	584		
Silk:							
Tissues.....	864,535		262,791	283,717	167,651	65,698	13,140
Thread.....	119,715		52,558	27,204		14,891	
Sugar.....	148,257			1,056	88,546		584
Wine, spirits, beer.....	36,543	1,445	5,475	6,472	5,621	779	5,300
Woolen goods.....	446,901		83,217	10,220	252,279	9,198	45,808
All other articles.....	1,070,424		189,851	99,763			7,971
Total.....	9,222,352	42,933	4,411,110	929,103	927,799	467,186	350,121

EXPORTS—UNITED STATES A HEAVY PURCHASER.

In the following statement are given the total exports and also the amounts exported to the United States, Egypt, France, United Kingdom, Italy, and Austria, respectively, during the calendar year 1908:

Articles.	Total exports.	United States.	Egypt.	France.	United Kingdom.	Italy.	Austria.
Almonds and apricot seed.....	\$40,648	\$1,460	\$8,721	\$5,475		\$4,284	\$2,555
Butter (sheep).....	449,228	3,212	148,307		\$9,636		
Cattle, sheep, horses.....	1,231,711		1,166,816				
Cocoons.....	915,875			798,045		108,559	
Copper ore.....	247,680			803	244,785	584	535
Cotton.....	139,417			14,155	1,051	36,440	3,153
Gail nuts.....	127,162	2,336	6,205	21,023	23,846		3,504
Gum.....	39,346	4,964	2,803	12,575	642	3,798	7,008
Lentils and chick-peas.....	44,747	311	17,081	4,258	13,140	1,246	62,413
Licorice root.....	770,902	700,737	45,623	8,575	141	2,847	691
Morocco and skins.....	298,244	2,044	141,129	24,138	2,088		39,078
Oil, olive.....	40,654	175	24,722		1,703		
Oranges.....	67,533		2,482				2,273
Pistachios.....	255,176	39,662	80,395	22,654	2,044		706
Provisions.....	127,434	6,813	35,282	156	8,565		
Raisins and figs.....	13,812	307	9,572	526			
Sesame, etc.....	77,878		13,237	21,169	18,264	7,631	175
Soap.....	161,686	195	195		195		
Textiles.....	715,473	18,687	56,451	7,008	14,016		16,351
Wheat, barley, corn, oats.....	143,391		34,951	4,818	22,644	7,358	
Wool.....	275,346	78,472		62,875	1,557	110,859	9,344
All other articles.....	951,614	7,066	123,907	72,341	35,510	3,455	1,874
Total.....	7,134,957	866,441	1,917,879	1,075,594	399,807	282,009	149,680

Egypt took the largest amount of the exports, the principal item being cattle, sheep, and other live stock, chiefly for food consumption, while France came next and the United States third. This is due to the considerable amount of licorice root shipped to the United States. The total value of exports was about \$100,000 less than in 1907. No particular reason can be assigned for this slight falling off, unless the difference passed by the way of Beirut, which is very probable. Taking each item into consideration, there have been few changes. An increase of about \$300,000 in the shipment of cocoons reflects favorably upon this occupation, which is increasing by leaps and bounds. As it requires only about two months in the spring to mature the worms and spin the cocoon, cocoon raising gives a quick and profitable income on the investment and labor expended.

INDUSTRIES OF THE DISTRICT.

The textile trade is hardly holding its own. The manufacture of laces and embroideries, with which the Armenian women of Aintab, Marash, and Orfa have occupied themselves, and which has continued to increase in volume and variety for the past 25 years, failed to show any advance during 1908, and the recent disturbances are having a tendency to lessen the output. The soap industry is suffering from a shortage in the olive crop, the more crude and lower grades of oil being employed for soap manufacture. The principal centers for the manufacture of soap are Aleppo and Antioch. Carpet weaving, which has seemed to make no progress for many years, furnished few or no exports, and as with the weaving and dyeing of woollen cloth, shoemaking, milling, tailoring, and the manufacture of copper, brass, and iron utensils, tools, etc., fell far short of furnishing enough for home consumption.

That this consular district and the adjacent territory are purely agricultural and that practically every important industry is lacking may be conclusively shown by comparing the articles of export and import. The district taken throughout is fertile, and all kinds of cereals, fruits, and vegetables are raised in abundance with the expenditure of little energy, owing to favorable climatic conditions. Agriculture is fairly well developed throughout Aleppo Province, the principal products being wheat, barley, rye, maize, rice, cotton, peas, lentils, beans, flaxseed, sesame, mustard, vetch, beets, turnips, truffles, sugar cane, and tobacco.

Cattle, sheep, and goats are numerous everywhere. At Orfa, Harem, Bab, Djebel-Semon, Mumbadj, Rakka, and especially among the Kurdish tribes in the environs of Marash, camels are raised in great numbers. Arabian horses, especially mares, famous for their traveling endurance, are numerous throughout the country. For some years many persons from European countries have been coming here to buy thoroughbred horses, mares, donkeys, mules, and cattle, although the exportation thereof is prohibited by the Government.

Northwest of Aleppo there are numerous mines of copper and yellow marble, and at the village of Abou-Fayad, a distance of 20 hours, there is a coal deposit, and petroleum has been found at Arsous in small quantities. At Antioch a deposit of lead exists, mixed with silver, antimony, and chrome. There is a mine of yellow marble in the mountain of Baricha, near Harem, and another near Aintab. In the mountains of Marash are mines of gold, silver, iron, and yellow and black marble, and in the Zeitoun district are two mines of rich iron ore. The lakes Djaboul, east of Aleppo, produce an annual aggregate product of 13,750 tons of salt.

Little has been done toward developing these mining possibilities.

DECLARED EXPORTS TO THE UNITED STATES.

The declared value of the exports from the consular district of Aleppo to the United States during 1907 and 1908, respectively, was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Butter and provisions.....	\$14,684	\$7,162	Licorice root.....	\$98,941	\$713,972
Coins and jewelry.....	85	1,391	Pistachios.....	18,187	19,685
Embroideries, lace and needle-work.....	41,364	30,389	Rugs.....	4,710	2,373
Gallnuts.....		1,431	Skins, goat and sheep.....	7,845	2,416
Gum.....	10,164	3,175	Wool.....	629,396	185,368
Guts.....	3,692	3,256	All other articles.....	853	
Household effects.....		157	Total.....	829,921	970,674

Coins and jewelry increased from \$85 in 1907 to \$1,391 in 1908, and will likely continue to grow in amount from year to year, as a local firm has established a branch house in the United States, where it finds a considerable demand for jewelry of oriental handiwork.

Licorice root, of which a large American corporation has a monopoly, increased from \$98,941 in 1907 to \$713,972 in 1908, due to the fact that in the previous year suitable arrangements could not be made between the exporting company and the Ottoman Government with regard to the rate of tithes to be paid on the product. The

tithe question having been adjusted early in 1908, the stock of root that had accumulated in the factories of the company during nearly a year was shipped, making the annual exportation much above the normal.

Turkish and Persian rugs, never a considerable item of export from this consular district, fell from \$4,710 in 1907 to \$2,372 in 1908, probably due to the smaller demand caused by financial conditions in the United States. Sheep and goat skins seem to have been affected by the same cause; decreasing from \$7,845 in 1907 to \$2,416 in 1908. The decrease in the exports of wool is also ascribed to the financial crisis.

BAGDAD.

By CONSUL-GENERAL EDWARD H. OZMUN, CONSTANTINOPLE.

The financial depression experienced in 1907 readjusted itself to an appreciable extent in the opening months of 1908, when the rate of interest was 8 to 11 per cent, as compared with 14 to 18 per cent and even 20 per cent in the previous year. However, the Persian political crisis, and the consequent depression in the commerce of Persia, which affected Bagdad trade, the inauguration of the new era in Turkey, and the Balkan troubles (the Imperial Ottoman Bank in consequence of the Balkan troubles curtailing its operations) caused, later in the year, a further depression in the money market, and the rate of interest again went up to 11 to 15 per cent and continued high until the end of the year.

Commerce was not hampered in any way through difficulties in ocean transportation, though trade with the United States suffered to a certain extent, owing to the absence of a direct line of steamers. Rates of freight were lower than last year. The Hamburg-American Line and a new British line maintained their services to the Persian Gulf, and, except occasionally, worked independently of the British combination of steamship lines. The Russian Line dispatched 5 steamers instead of 4 during the year. With the addition of 2 new steamers to the fleet of the Hamidieh Line, the decrease in imports, and the embargo on wheat, introduced in August, the trade of Bagdad did not suffer from the inadequacy of the navigation on the Tigris. Land transportation was also available throughout the year, although at high rates. In normal years cargoes destined for inland points are, as a rule, delayed several weeks before transportation is available. The regular carriage service established at the close of 1907 between Bagdad and Aleppo had to be abandoned, owing to the unsatisfactory state of the roads.

CAUSE FOR DECREASE IN IMPORTS.

There are no authentic statistics obtainable regarding the trade of Bagdad, and the following data are from personal observation in the market.

The large surplus stocks from last year, the slow demand in Persia, the nonarrival of pilgrims, and the increase of 3 per cent in the customs duties contributed to the decrease in the value of imports as compared with the previous year. Manchester and India cotton goods continue to be the leading article of import. Belgium supplied

less sugar than last year, while imports from Marseilles regained their former position. Owing to a shortage in the sugar supply all the previous year's surplus stocks were cleared off. The winter season being extremely mild, imports of woollens were insignificant. No imports worthy of mention were received from the United States. This is not because American goods, and particularly cottons, are not adapted to this market, but the strict terms of payment demanded by business firms in America make their introduction very difficult.

THE EXPORT TRADE.

Considerable quantities of wheat were exported before the embargo in August. High prices in India raised local prices from 25 to 30 per cent, and this with other causes induced the Government to order the embargo. The scarcity of rain in the three Vilayets of Mosul, Bagdad, and Bassorah further tended to raise the prices, but sellers brought forward large supplies of the previous year's stocks and a heavy rainfall in December checked a further advance in prices.

The export of dates during the year was an average one, and although the crop was good compared with that of last year the yield did not reach the normal average owing to the great damage done to the fruit trees during the severe cold of 1906-7. The high prices of other eatables resulted in a larger consumption of dates, and this helped to exhaust the stock. Prices of dates were 30 to 35 per cent higher than in ordinary years. No exports of ghee were made, and owing to a bad spring prices ruled 30 to 35 per cent above those of the preceding year. In the district north of Bagdad the quality of Awassi and Karadi wools was good, while that of the Bagdadi was not so good owing to a bad spring in Bagdad and neighborhood. As late as August prices of wool ruled 25 to 30 per cent lower than those obtainable last year, and business in it was generally very slack. About 30 per cent of the entire clip was consumed locally, although hitherto little domestic wool has been used for local consumption, owing to its high price. The better demand from Marseilles and London, which started in September, raised prices 5 to 10 per cent and attracted considerable quantities from the interior. Since then some very good business has been done. The largest exports were to Marseilles, followed by those to London, while the exports to the United States increased 50 per cent.

The exports of carpets diminished about 50 per cent and the United States was the leading consumer. There was a heavy demand directly from Russia for gum tragacanth, which caused the Persian sellers to ignore the Bagdad market until the shortage there affected the market in London. This resulted late in the season in most attractive prices being obtained in London, and led the Persian sellers to divert their attention to the Bagdad market. Exports from Bagdad showed a decrease, and a smaller quantity was shipped to the United States compared with that of former years. The gall crop was below the average, the principal consumers being England, followed by Germany; little was shipped to France, and none to the United States. Very little business was done in skins during the first half of the year, but later on the demand improved considerably. Of the tanned skins the greater portion were shipped to London, and of the untanned to Marseilles. Exports to the United States diminished 20 per cent.

INDUSTRIAL AND COMMERCIAL EXPANSION.

The fact that the present constitutional Government is ready to support any progressive scheme encourages the belief that Bagdad will soon enter upon a new era of industrial and commercial expansion. The change in the political régime has imbued the inhabitants of Turkey with a new spirit of enterprise. Several companies are being formed to develop trade, modern industries, and public works of immediate utility. The official announcement from Constantinople that the Government is prepared to grant concessions has been warmly received by the most enterprising of the people. A company has been organized to run a service of automobiles between Bagdad and the outlying towns in the Vilayet and the promoters contemplate extending the service to Damascus and Khanakin, on the Persian frontier. Application has already been made to connect Bagdad with Kazaimaine, a distance of 5 miles, by a line of tramway to run on the eastern bank of the river, in opposition to the existing line. A commission of the public works department has been formed under the presidency of the governor-general to go into the question of public works requiring immediate attention. Merchants and others are invited to visit the commission twice a week, the object being to encourage them to take up concessions. One of the greatest benefits of the new régime is the Government's permission for free navigation in inland waters, and this is particularly beneficial in the case of the Tigris. Besides the Lynch Line of steamers, long established under peculiar conditions, and the Hamidieh Line, a government concern, navigation on the Tigris was restricted to native sailing craft. Some years ago a company was formed and succeeded in obtaining permission to run a boat between Bagdad and Samirra, but after it had made only two or three trips the Government issued instructions that it remain at anchor pending further instructions. Under the new régime this boat is now running. A new company is being formed to run steamers on the Tigris, there being practically no competition in rates of freight between Bagdad and Bassorah. The Government is having plans drawn for the irrigation of Mesopotamia which promise well for the future of the country.

DECLARED EXPORTS—TRADE OF BASSORAH.

The declared value of the exports from Bagdad to the United States for 1908 showed a loss of \$193,693 from the previous year. The articles and values are shown in the following comparative statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Carpets.....	\$79,466	\$30,403	Licorice root.....		\$33,627
Dates.....	187,471		Skins.....	\$11,159	8,927
Excrement, dog.....	7,896	7,521	Wool.....	165,239	237,655
Galls.....	8,160		Other articles.....	2,754	1,013
Gum.....	46,284	1,612			
Intestines.....	12,201	6,179	Total.....	520,630	326,937

General trade in Bassorah during the past year was on a smaller scale than for several years preceding. The exports to the United

States, of which dates are the principal article, show a decrease in value of \$277,606, compared with 1907, and of \$332,173 compared with 1906.

The crop of dates in 1908 finally turned out to be much smaller than was anticipated, being about 15 per cent less than in 1907. The principal cause of the shortage was the intense heat and southerly winds experienced in Bassorah during August and September, which caused the fruit to fall from the trees before maturity. Owing to the limited demand for dates in Europe, and to the original estimate that the crop would be an average one, prices were lower by some 30 per cent than in 1907. Exports generally to Europe were also 15 to 20 per cent smaller, this decrease being principally in cereals.

The imports from the United States continue to be practically nil. Freight opportunities are scarce, there being no direct steamers arriving in Bassorah from the United States and transshipment goods are in many cases very unsatisfactory, on account of the breakage to packages and contents and to the delay to the goods en route.

The imports from Europe were less than in 1907 and importers complained that they made no profit.

The declared exports from the Bassorah agency to the United States in 1908 were valued at \$433,078, against \$710,684 in 1907. The articles for 1908 were: Dates, valued at \$396,113; licorice root, \$34,615, and millet seed, \$2,350.

BEIRUT.

By CONSUL-GENERAL G. BIE RAVNDAL.

The year under review, as far as this district is concerned, was an off year as regards business. Returns covering customs receipts at Beirut would indicate the following movements of trade:

Trade.	1906.	1907.	1908.
Imports.....	\$12,862,455	\$13,726,785	\$12,208,150
Exports.....	6,130,371	6,343,860	6,076,267
Total.....	18,992,826	20,070,645	18,285,417

Merchants estimate the commerce of Beirut to have suffered a loss of 20 per cent in exports and 10 per cent in imports during 1908 as compared with 1907. Statistics gathered from consular invoices show that exports to the United States from the city of Beirut dropped from \$478,129 in 1907 to \$120,547 in 1908. The imports from the United States into Beirut fell from \$253,431 in 1907 to \$221,106 in 1908.

Among special causes which adversely affected the movement of trade in these parts may be mentioned the financial crisis in Egypt, Europe, and America, and the partial failure of crops. Although the barley crop was abundant, the olive crop failed, and the silk and wheat crops were poor. There was a surplus of imported goods left over from 1907.

But for the natural growth of the commerce of Beirut, owing to railroad extensions and the consequent acquisition of new territory, the

commercial returns for last year would have shown still greater loss. Wool remains the principal article of export to the United States. I am still hopeful of establishing relations which will render possible the exportation of Syrian raw silk directly to America, perhaps to the extent of \$2,500,000 annually, or about half of the Syrian silk crop exported.

As regards imports, no extraordinary feature manifested itself until in September the market closed on Austrian goods. At Beirut the Austrian imports in 1907 amounted to about \$2,355,000, the leading items, in the order mentioned, being cashmere, wool and cotton cloth, sugar, fezes, timber, clothing, paper, glassware, and furniture. France, Italy, and Great Britain were the principal beneficiaries of the loss by Austria.

The United Kingdom not only occupies first place in Beirut's import trade, of which cotton cloth and yarn constitute about 50 per cent, but seems destined to secure a still greater share of it.

AMERICAN INTERESTS IN THE TRADE OF BEIRUT.

Among articles imported from the United States the following are most prominent: Sewing machines, oleomargarin, beer, leather, hardware, canned groceries, pharmaceutical products, and furniture. During 1907 the United States lost to Russia its share of the petroleum trade of this region, and in 1908 its share of the wire-nail trade was lost to Belgium. In both instances, the cause was lack of due appreciation of these markets. American steel and wire interests are represented in Beirut by a prominent bank which has neither the time nor the disposition to solicit orders. Similar observations apply with equal truth to the sale of agricultural machinery and implements, in which trade a promising beginning was made by American manufacturers several years ago.

Progress has been made in the matter of the importation from the United States of oleo oil, cotton oil, and corn oil. This trade is capable of considerable development. Owing to the olive-oil shortage and to objections to animal fats, cotton oil is coming into popular favor both as an article of food and in the manufacture of soap. Turkey in Asia ordinarily produces more olive oil than Spain or Italy (respectively about 1,646,120, 1,408,560, and 1,375,980 barrels annually). Last year, however, the olive crop in these regions was short.

Special efforts should be made by American manufacturers along the lines of milling and irrigating machinery, boots and shoes, metal bedsteads, building supplies, including iron beams and cement, coal, cotton goods, flour, iron pipe, lumber, paper, paints, petroleum engines, pumps, refrigerators, tools and implements, and enameled ware. The trade in cotton goods in these parts never has been seriously exploited by American manufacturers, although it runs up into millions of dollars.

The attention of American exporters and capitalists is invited to the present economic revival and the constantly increasing inducements presented by the markets of the Levant. As soon as American manufacturers realize more fully the underlying causes and the extent of this development, no doubt a more vigorous effort will be made by them to secure proper vantage ground.

IMPORTS BY ARTICLES.

In the following statement is given the estimated value of the imports, by articles, for 1908:

Articles.	Value.	Articles.	Value.
Cement and lime.....	\$32,000	Marble.....	\$100,000
Coal.....	325,480	Paper.....	350,000
Coffee.....	246,990	Oil: Petroleum.....	192,500
Copper.....	93,000	Provisions.....	120,000
Cotton, manufactures of:		Rice.....	398,470
Tissues.....	4,860,000	Silk, manufactures of.....	871,000
Yarn.....	600,000	Spirits, etc.:	
Fezes.....	150,000	Alcohol.....	37,000
Flour.....	145,380	Beer.....	68,000
Glassware.....	125,000	Sugar.....	636,900
Indigo.....	104,480	Tiles.....	40,000
Iron and steel, and manufactures of:		Timber.....	400,000
Iron.....	275,300	Tombac.....	119,750
Hardware.....	150,000	Woolen tissues.....	152,000
Nails.....	37,000	All other articles.....	839,900
Sewing machines.....	120,000		
Leather and hides.....	620,000	Total.....	12,200,150

The prospects for 1909 are bright. A new spirit of enterprise has been developed, and administrative improvements are being introduced which are likely to benefit the tillers of the soil in the matter of taxation and bank loans, and the merchants in the matter of customs-house and other reforms.

NEED OF PARCELS POST AND STEAMSHIP SERVICE.

The desirability of a parcels-post service between Syria and the United States, and the necessity of more care in the matter of steamship sailings so as to avoid unnecessary delays of goods en route should be taken into consideration by American exporters.

Syrian merchants complain that samples for which they send to the United States as first steps in endeavoring to introduce American goods come absurdly high, and that the expense of transportation often exceeds in cost the article itself. Besides, samples are slow in coming. In a country where samples, not catalogues, determine orders, this is a serious drawback to American trade, especially when samples may be obtained from Europe so much more easily. Also, the United States forfeits a large business in mail orders. The treasurer of the American college in this city writes that, in his opinion, one hundredfold more goods would be obtained from the United States than are now imported, if the parcels post existed. The college brings many articles from England and Germany every year that might as well come from the United States. This is true of wearing apparel, household articles, small scientific apparatus, novelties, jewelry, stationery, chemicals, etc. At the present time, the cheapest and quickest way of obtaining samples or parcels, weighing more than 4 pounds, from the United States is by express to Bremen and from there by mail to Beirut. Even at best, the proceeding is dilatory and expensive, requiring, of course, the intervention of an agent in Europe. In this respect, the United States is placed at a distinct and vital disadvantage as compared with other nations interested in the markets of the Levant.

In the matter of transportation, it is safe to recommend the Italian route. It provides frequent sailings from New York to Naples and weekly connections between Naples and Beirut. Generally speaking American goods can be delivered in levantine ports approximately as quickly and at as low freight rates as those coming from Hamburg, Antwerp, and Liverpool. There is no good excuse for the poor showing American goods make in Turkey, Greece, and Egypt, where the United States furnishes but 2 per cent of the total imports while its purchases in the same markets are considerable.

TRADE WITH THE UNITED STATES.

The following statement gives the value of the imports into Beirut from the United States during 1908, by articles:

Articles.	1907.	1908.	Articles.	1907.	1908.
Athletic goods.....	\$235	.....	Iron and steel, etc.—Continued.		
Bedsteads, iron and brass.....	380		Machinery—Continued.		
Beer.....	12,876	\$14,400	Sewing machines.....	\$79,840	\$93,903
Bicycles.....	165		Typewriters.....	1,210	2,020
Books and paper.....	3,800	3,325	Nails.....	6,710	
Clocks, lamps, etc.....	2,155	245	Sales.....		2,300
Clothing and dry goods.....	485	824	Leather, and manufactures of:		
Cotton goods.....	4,160	1,378	Leather.....	13,245	4,600
Drugs, medicines, etc.....	5,221	4,510	Boots and shoes.....	6,335	1,260
Flour.....	120		Harness and saddlery.....		129
Furniture.....	7,093	3,757	Oils:		
Groceries.....	5,456	3,884	Corn.....		600
Ice-cream freezers, etc.....	1,870	1,296	Cotton-seed.....		2,000
Instruments, musical.....	170		Oleo.....	56,760	67,681
Iron and steel, manufactures of:			Paints.....	120	
Carriage supplies.....		218	Pens, fountain.....		415
Cutlery.....		800	Photographs.....	1,765	
Firearms.....		300	Photographic materials.....	360	235
Hardware.....	6,730	6,137	Suspenders.....		500
Machinery—			Toys.....	480	189
Agricultural.....	2,380		All other articles.....	18,758	3,200
Irrigating.....	9,876	1,000			
Milling.....	3,766		Total.....	253,431	221,106

In the following table is given the declared value of articles exported from Beirut, Damascus, Haifa, and Tripoli, all of the Beirut consular district, to the United States during 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Arms.....		\$64	Rugs.....	\$2,573	\$5,714
Bitumen.....	\$4,146		Skins, goat.....	1,073	1,923
Books.....	572	313	Soap.....	4,006	3,171
Brass and copper.....	27,179	9,648	Tobacco.....	80	
Casings.....		241	Tombac, Persian.....	1,509	1,340
Cotton lace.....	25,345	34,280	Wine.....	1,008	459
Liquors.....	415		Woodwork.....	1,915	328
Manufactured goods.....	9,831	2,490	Wool.....	590,746	121,325
Needlework.....	10,333	1,045	All other articles.....	6,487	1,102
Oil, olive.....	2,484				
Personal effects.....	262	922	Total.....	759,872	242,557
Provisions.....	79,909	58,192			

DAMASCUS AGENCY.

By CONSULAR AGENT NASIF MESHAKA.

Among American articles which are beginning to gain a foothold in Damascus are boots and shoes, including rubber shoes, leather, metal bedsteads, nails, cooking stoves, cabot cotton cloth, agricul-

tural implements, canned beef, razors, oleo oil, and mechanics' tools. English is the favorite foreign language of Ottoman subjects, especially the Turks. The United States is sincerely welcomed in business dealings with Turkey. The best and most influential newspapers in the Arabic language are published by graduates of the American college in Beirut.

HAIFA AGENCY.

By CONSUL-GENERAL G. BIE RAYNDAL, BEIRUT.

Haifa showed an increase over the previous year in the matter of imports, the receipts at the custom-house having amounted to \$106,730 in 1908, against \$48,750 in 1907. Even allowing for the fact that the increased customs duty, which was raised from 8 to 11 per cent, did not operate during the first five months of 1907, the commercial progress at Haifa is noteworthy. Haifa is certain in time to become an important city as the terminus of the Hedjaz Railroad and perhaps the seaport of both Damascus and Jerusalem. Merchants at Haifa display a tendency toward direct dealings with Europe and the United States instead of going to Beirut with their orders.

The grain crops, except sesame, were good. The olive crop, which is the chief source of revenue of the Haifa and Acca district, has been diminishing in recent years owing to deficient rainfall, and last year failed utterly. The average rainfall at Haifa is about 29 inches. During 1906-7 it was 22 inches, and in 1907-8, 23 inches. The rains last year were well distributed, and therefore the grain crops came out well. But the olive trees are beginning to suffer. Common olive oil now sells for 72 cents per gallon, nearly twice the regular price.

During 1908 the Hedjaz Railway imported 29,543 tons of Cardiff coal and 9 locomotives. The imports into Haifa from the United States were as follows: Agricultural implements, \$1,490; carriage supplies, \$579; dry goods, \$30; groceries, \$484; hardware and saddlery, \$700. The exports to the United States were olive oil, worth \$2,018, castile soap \$3,171, and wine \$459.

TRIPOLI AGENCY.

By CONSULAR AGENT IRA HARRIS.

There is a steady growth in Tripoli along commercial lines. Building operations have expanded. Portland cement, hydraulic lime, and building stone are much in demand. The price of quarried stone has increased 50 per cent during the last few years. Lumber also has increased in demand and in price. More than 500,000 orange and lemon boxes were made in Tripoli during 1908.

As in the past, Great Britain continues to supply the cotton thread used on the hand looms of Homs and Hamath, also most of the calico and bleached and unbleached cotton cloth. A considerable quantity of No. 10 cotton thread is used by the natives in lace making. Most of the product is sold to the United States. Printed calico is imported from Italy, Austria, and Germany, and dress goods of the better quality come from France.

Austria has a most effective system of pushing its trade here, maintaining agencies and subagencies in all cities and towns, and dispatching numerous commercial travelers who, together with the

local agents, make a study of the needs of the market. Reports to the head offices in Austria are made, and the suggestions contained therein are carried out, with the result that Austria commands about 50 per cent of the imports into Tripoli. The rebates given in freight charges and the favorable terms of payment (from 6 to 12 months' credit) make Austrian articles prime favorites.

FOREIGN CAPITAL—AMERICAN TRADE.

Rumors have been rife of foreign capital seeking investment at Tripoli in the construction of a harbor and of a railroad to the interior. Native and British capitalists have practically decided to build a railroad as far as Homs, some 60 miles to the east. If this railroad should be constructed and extended to Deir on the Euphrates and thence to the Persian Gulf as planned, it would place Tripoli in the forefront of Syrian commercial centers.

Among things needed at Tripoli are cottons, candles, coal, groceries, biscuits, soap, vegetable oils, paints, colors, dyestuffs, sewing machines, furniture, cloth and clothing, rubber shoes, beer, bricks, cement, flour, hardware, leather, tools, carriages, typewriters, pumps, watches and clocks, paper of all kinds, and lead pencils. It must be borne in mind that Syria is not a manufacturing country, except as to cotton and silk stuffs woven on hand looms.

The imports from the United States into Tripoli in 1908 were as follows: Cotton cloth, \$10,600; drugs, \$1,500; hardware, \$10,650; miscellaneous, \$30,000; oleo oil, \$5,430; pumps, \$8,890; petroleum, \$38,000; wheat and flour, \$18,000.

The great natural resources have been but slightly developed, for want of capital on the one hand and lack of enterprise on the other. It is the intention of the new régime to grant ample scope to foreign capital. Already improvements are noticeable and a revival of trade all along the line may be looked for.

CYPRUS.

By CONSUL-GENERAL G. BIE RAVNDAL, BEIRUT.

The fiscal year of 1908 showed continued prosperity and progress in the island of Cyprus. The figures for revenue collected, as well as for exports and imports for the year under review are the highest on record. As against \$1,394,203 in the fiscal year 1907, the revenue collection for the year ended March 31, 1908, amounted to \$1,515,396. The principal increases are attributable to bountiful harvests. The wheat crop was the best ever harvested, amounting to 2,600,839 bushels. The olive crop was also above the average.

The total trade during the fiscal year 1907 amounted to \$5,435,050, of which \$3,015,270 represented imports and \$2,419,780 exports. In 1908 the total trade amounted to \$5,990,358, of which \$3,057,202 were imports and \$2,933,156 exports.

The leading articles of export, in the order named, were carobs, barley, wheat, silk cocoons, wine, mules, oxen, donkeys, sponges, raisins, gypsum, cotton, pomegranates, hides and skins, wool, and linseed. The heaviest consumers of Cyprus exports were the United Kingdom, Egypt, France, Turkey, Greece, Austria, Roumania, and Italy. The United States bought about \$6,000 worth of wool, skins, cigarettes, and gypsum.

IMPORTS AND PUBLIC IMPROVEMENTS.

Cotton piece goods continue to hold first rank among the imports into Cyprus. During the fiscal year 1908 they amounted in value to \$336,991, as compared with \$269,175 during 1907. The total imports of cotton piece goods and cotton yarn amounted to \$530,591, of which the United Kingdom furnished a trifle over 50 per cent and Italy nearly 30 per cent, the balance being supplied by Austria, India, Turkey, and other countries.

Other articles of import were leather and leather manufactures, valued at \$169,084; woolen manufactures, \$151,364; timber and firewood, \$144,351; machinery, \$108,358; haberdashery and millinery, \$105,627; sugar, \$102,341, and tobacco leaf, sacks, olive oil, iron manufactures, petroleum, coal, soap, and flour in smaller quantities.

As regards the distribution of trade, the United Kingdom ranks first in imports, supplying a total of \$943,199. Next in line is Turkey, followed by Austria, Italy, Egypt, France, Germany, Greece, Belgium.

For public works the government of Cyprus last year expended about \$100,000, largely on roads and bridges and on improvements of Larnaca Harbor. Artesian well-boring experiments are still being conducted with machinery imported from the United States. During the year 61 miles of railway were operated, against 48 miles during the preceding year. The revenue from the railway, as well as from the Famagusta Harbor, showed a gratifying growth.

GYPSUM AND ASBESTOS MINES, SPONGE FISHING, ETC.

Among industries which are practically new and seem capable of considerable development may be mentioned gypsum and asbestos mining and sponge fishing. Gypsum has been exported in a raw state to Syria for many years. Lately factories have been established in Larnaca and Limassol, from which manufactured gypsum in the form of plaster of Paris is shipped to Egypt, Europe, and the United States. Asbestos has been mined at Mount Troodos by an Austrian syndicate during the past year with such extraordinary success that the Government has been almost inundated with applications for licenses to prospect for various minerals all over Cyprus.

Sponge fishing is being carried on in the territorial waters of Cyprus with increasing success. Both machine diving boats and harpoon boats are employed. Like the Syrian and Greek sponges, the sponges of Cyprus occupy a place of honor in the sponge markets of the world, their texture being especially soft and fine, rendering them exceedingly valuable as surgeons', toilet, and nursery sponges. Sponges were exported from Cyprus to the value of \$10,425 in 1898, but the amount had grown to \$92,359 in 1908.

Important experiments were made during the year with cotton growing, showing especially gratifying results in the case of the American varieties.

While the industries of Cyprus are developing and its trade expanding, the United States practically has no relations with the island, except as represented by the activities of some American missionaries who conduct a high school and a hospital at Larnaca.

HARPOT.

By CONSUL W. W. MASTERSON.

In an interior and long settled country like this, where there is but little wealth, where the wants are few and improvements are comparatively unknown, there is but little fluctuation in the trade in either imports or exports. The value of the exports amounts to about one-third that of the imports.

The import and export returns have been prepared by this office, there being no statistics of trade compiled by the local government.

In the following statement are given the value of the articles imported into the Harput consular district and the countries of origin, for the year 1908:

Articles.	Countries of origin.	Value.
MAMOURET-UL-AZIZ.		
Books.....	United States, England, France.....	\$1,300
Candles.....	Austria.....	1,330
Clocks, watches, etc.....	United States, Germany.....	2,480
Clothing.....	United States.....	800
Coffee.....	France.....	5,000
Cotton, manufactures of:		
Caboits.....	United States.....	5,000
Calico.....	United States, England, Italy.....	52,800
Handkerchiefs.....	Austria, France, Germany.....	21,120
Prints.....	Austria, France, Germany, Italy.....	110,000
Sheeting.....	United States, Italy, England.....	114,400
Crockery and glassware.....	Austria, France, Germany.....	2,680
Drugs, dyes, etc.....	United States, Belgium, England, France, Germany.....	4,210
Enameled ware.....	Austria, France, Germany.....	5,200
Ferres.....	do.....	79,200
Indigo.....	India.....	2,500
Iron and steel, and manufactures of:		
Iron.....	Belgium, Sweden.....	13,600
Steel.....	England.....	740
Manufactures—		
Agricultural implements.....	United States.....	1,710
Hardware.....	United States, France, Germany.....	3,960
Nails.....	United States, Belgium, England.....	3,520
Roofing.....	United States.....	560
Sewing machines.....	do.....	2,860
Shovels.....	France, England.....	880
Tools.....	United States, Germany.....	800
Jewelry.....	Austria, Germany.....	1,520
Leather.....	United States, France, Germany.....	3,800
Metals:		
Copper.....	Austria, England.....	4,180
Tin.....	England.....	180
Oil: Petroleum.....	Russia.....	55,000
Rubbers (overshoes).....	United States.....	1,200
Sacks and sacking.....	Austria, England, Germany.....	6,200
Spices.....	Singapore.....	6,600
Sugar.....	Austria, France.....	35,000
Tea.....	India.....	2,000
Textiles.....	Belgium, France, England, Germany.....	35,200
Velvet.....	France, Germany.....	7,000
Wool, manufactures of:		
Tissues.....	Belgium, England, Germany.....	130,000
Underwear.....	France, Germany.....	3,680
Yarn.....	England.....	74,800
Other articles.....		171,470
Total.....		974,470
Imports from other provinces.....		854,600
Grand total.....		1,828,070
DIARBEKIR.		
Carpets.....	Persia.....	15,000
Coffee.....	South America.....	35,000
Cotton, manufactures of:		
Handkerchiefs.....	England, Germany, Italy.....	5,000
Prints.....	do.....	170,000
Sheeting.....	England.....	350,000
Thread.....	do.....	20,000
Yarn.....	England, India.....	200,000

Articles.	Countries of origin.	Value.
DIARBEKIR—continued.		
Drugs.....	France, Germany.....	\$5,000
Enameled ware.....	England.....	5,000
Fezes.....	Austria, Belgium.....	37,500
Galoshes.....	United States, Germany, Russia.....	5,000
Glassware.....	France, Germany.....	7,500
Hides, buffalo.....	China, India.....	52,500
Indigo.....	India.....	10,000
Iron and steel, manufactures of:		
Bars, rods, and plates.....	England, Germany.....	59,000
Hardware.....	Austria, France, Germany.....	175,000
Sewing machines.....	United States.....	1,120
Leather.....	Austria, France, Germany.....	40,000
Matches and tinder.....	Austria, England.....	15,000
Metals, manufactures of:		
Copper.....	England.....	35,000
Tin.....	do.....	20,000
Zinc.....	do.....	5,000
Paper.....	Austria, France, Italy.....	80,000
Petroleum.....	Austria, Russia.....	100,000
Sacks.....	India.....	40,000
Spices.....	do.....	25,000
Spirits.....	France, Germany, Greece.....	5,000
Sugar.....	Austria, England.....	100,000
Tea.....	England.....	5,000
Velvet.....	England, France, Italy.....	10,000
Woolen goods.....	England.....	205,000
Total.....		1,837,620
Imports from other provinces.....		387,620
Grand total.....		2,225,240

COTTON GOODS FORM MAJOR PORTION OF IMPORTS.

The import figures show that over one-half of the imports from foreign countries were yarns for weaving or woven goods of some kind for household use, that no machinery of any kind, except sewing machines, was introduced, and that the balance of the articles enumerated were only such necessities as would enter into the simplest existence. In sheetings the United States leads, as the people like American cotton goods much better than those from other countries, but in woolen goods England is far in the lead, principally because of the cheapness of its woolsens, while in cotton prints Germany has the best trade. There is some weaving of different kinds of cotton products in this country, such as coarse cottons, towelings, stripes, and colored goods, but this is all by hand looms and the output is comparatively small.

Some time ago some cotton goods samples from the United States were received at this office. The samples were fine, large pieces running from the cheapest to the finest grades, but along with these samples came cast-iron instructions that the money must accompany all orders, large or small. Local merchants are small dealers with only several hundred dollars capital. Heretofore in buying their cotton goods they have ordered a few bales at a time from some dealer in Constantinople and have had practically their own time to pay for it. Many of the local merchants came to see these samples and admired them, and said if they could get such a line to pick from in Constantinople they would gladly buy, but it was useless to expect them to buy on such terms. There is a large field here for American cotton goods, as a majority of the people wear cotton, many of them all the year, and they are not wedded to any particular brand as is the case in some markets; but many of these merchants can not buy in

the United States on the terms offered by American firms. Their only show for handling American cottons is for manufacturing firms to sell to large Constantinople merchants and to let these interior merchants order from the latter in small lots and on their own terms.

EXPORTS FROM HARPUT.

In the following table are shown the principal articles exported in 1908, and also their values and the countries to which shipped:

Articles.	Destination.	Value.
MAMOURET-UL-AZIZ.		
Almonds.....	United States, Egypt, France.....	\$43,000
Apricot stones.....	France.....	5,000
Cocoons.....	do.....	31,000
Furs.....	United States, Russia.....	16,000
Goatskins.....	United States, Egypt, France.....	175,000
Leather, morocco.....	Egypt.....	50,400
Mahlep.....	Egypt, France.....	720
Opium.....	France.....	4,400
Opium seed and oil.....	do.....	700
Rugs.....	United States.....	4,840
Sausage casings.....	do.....	26,400
Silkworm eggs.....	Persia, Russia.....	44,000
Total.....		410,460
Exports to other provinces.....		272,030
Grand total.....		682,490
DIARBEEKIR.		
Almonds.....	Egypt.....	11,000
Animals:		
Horses.....	Egypt, India.....	15,000
Sheep.....	England, France, Germany.....	250,000
Beeswax.....	Russia.....	2,000
Cocoons and waste.....	Austria, France.....	13,000
Copper.....	England.....	206,000
Eggs.....	France.....	12,500
Furs.....	Germany.....	17,500
Gum.....	France, Germany.....	7,000
Intestines.....	United States, Austria, Germany.....	30,000
Leather.....	England.....	7,500
Mohair.....	do.....	42,500
Paste.....	Egypt.....	2,500
Prunes.....	India.....	1,000
Skins:		
Goat.....	United States, Germany.....	100,000
Lamb.....	Germany.....	15,000
Valonia.....	England, France, Germany.....	40,000
Wool.....	United States, England, France.....	200,000
Total.....		972,500
Exports to other provinces.....		1,210,300
Grand total.....		2,182,800

TRANSPORTATION OF FREIGHT AND PRICES.

The only way to get freight into the Vilayets of Sivas, Mamouret-ul-Aziz, and Diarbekir is by caravan or in wagons, over a rough mountainous road. Sivas and Mamouret-ul-Aziz are reached through Samsoun, and Diarbekir through Aleppo, the distance in each case being about 500 miles. The cost of freight varies according to the season of the year. During the summer when the roads are open and forage is plentiful, the rates are comparatively low, and average about \$7.50 per 500 pounds. But in cold weather, when forage is high and the roads over the mountain passes are filled with snow

and the days for traveling are short, the freight is about \$15 per 500 pounds. It generally takes freight about a month to come from Samsoun to Harput by caravan, and about three weeks by wagons. A camel will carry from 300 to 400 pounds, but the load must be in two parts, one for each side.

While the prices of goods are generally governed by the cost of sea and inland transportation added to the original cost, yet during the winter, when transportation for several months is stopped, the prices are determined by the amount the purchaser can afford to pay, and the simplest necessities become luxuries. A case of petroleum containing two tins of almost 5 gallons each, which in the summer could be bought for \$2.40, during the winter is sold for \$4.40, or almost 50 cents per gallon. And so it is with sugar, coffee, rice, and all other supplies, whether of foreign or home production.

The only vehicle for travel over the main road that leads from Samsoun to Bagdad is a wagon called a "yailie" which has springs, or an "araba," the same kind of a wagon without springs. These conveyances are what might be called spring wagons in our country. Each is pulled by two horses. They are rather heavy, and are made in this country. There is a seat in front for the driver, but no seats are arranged behind for the passengers, as each person is supposed to bring his own bed, a mattress. These mattresses are spread on the floor with pillows and the luggage behind, and thus the passenger reclines during the journey. Along the roads are khans or native houses of entertainment, where shelter and food may be obtained, but it is customary for the traveler to take his own food and bedding.

The rate for passage to Harput from Samsoun is \$35 to \$44, and it may be a little more or less, according to the season of the year. The personal equation enters to a great extent in the rates for passage, and by bargaining and haggling a lower rate may be secured.

These conveyances are built in this country in many towns along the road. A yailie costs about \$132, and an araba, which is generally unpainted, \$22 to \$44. There are 1,000 to 1,500 of these vehicles on this route.

FOOTWEAR AND RUBBER SHOES—FIREARMS—STOVES.

The poorer classes in this country wear a shoe made locally, and the native shoemaker's trade is a thriving one. These shoes are coarse and of a low cut, so that they may be slipped on without difficulty, and no strings are used. They are made of native-tanned leather and are very cheap, costing 80 or 90 cents, and last but a few months. The higher classes living in the larger towns generally wear European shoes, but of rather cheap grade. This trade, while it is not large, is a steady and growing one, and it might be well for American shoe manufacturers to investigate it.

Until a few years ago a rubber overshoe was unknown in this country, but as the winters on these highlands are always accompanied by snow and mud, the advantages of overshoes soon became known, and now they are in general use among the higher classes. Overshoes are not shipped directly from any foreign country to this district, but to Constantinople, and from there they are brought in small orders and on terms suitable to the merchants. The greater number of these rubbers are made in America.

The implements of foreign make in greatest demand in the interior of Asia Minor are firearms. Heretofore the importation of firearms into Turkey has been prohibited, and the person that owned a pistol or a gun could sell it at his own price. Now that arms of all kinds are allowed to be imported, the people are waiting for opportunities to buy, and the prevailing sentiment seems to be that American firearms are the most desirable. There have been a number of applications at this office from prospective dealers for catalogues of firearms.

For heating purposes wood only is used. It is bought during the summer and autumn when it is comparatively cheap for this country, but at its cheapest it costs about one-fourth of a cent per pound, and in the winter when the roads are blocked with snow it sells at one-half to 1 cent per pound. The wood is brought in on donkeys from places a day to two days distant, which adds to the cost considerably.

Heating stoves are made in the local bazaar, of sheet iron, light and flimsy affairs that burn out in a season or two. There are no cast-iron stoves of any make except a few at the American mission, and there are no stove dealers except those who make these light affairs. Cooking stoves are as scarce as proper iron stoves, baking being done in open fireplaces or in bakers' ovens. A market for heating and cooking stoves might be worked up, but the stoves must be of a cheap, durable grade and not too heavy. If they could be shipped in knocked-down lots, it would be better.

The roof of the ordinary house is of mud, and requires constant attention in the way of rolling and replacing the washed-away portions. The roofs of some of the larger and better houses are covered with rough, homemade tiles that are rather expensive.

The American missionary settlement in rebuilding its houses and schools, after the disturbances some twelve years ago, covered all of the roofs with American metal roofing, and the people, seeing the ease with which the houses were covered and the lasting quality of the material, have become interested in the subject and within the past few years several public buildings, five churches, and several school buildings have been covered with this material.

Owing to the tariff, the heavy freight rates from America, the heavier transportation charges inland and the scarcity of money among the people, this roofing will never come into general use. However, in the future on public buildings and the residences of the well-to-do class metal roofing will be used, and a steady trade of not very great proportions will always be maintained.

MINERAL DEPOSITS, MINING, ETC.

In mineral wealth the interior of Asia Minor is one of the richest of the few remaining undeveloped countries, and particularly in this Vilayet are the mountains full of undeveloped wealth.

The policy of the Government has heretofore been to prohibit the exploiting of minerals, and except on some rare occasions when enterprises have been permitted for a time to work in one or two places for copper and silver, there has been no mining carried on. But with these restrictions removed, as they have been recently, there is

no reason why outside capital could not be most profitably employed in developing the mineral wealth that in many places is so prominent and so well known. There are deposits of gold, silver, coal, marble, platinum, manganese, copper, mica, flint, asbestos, saltpeter and petroleum in this consular district. [A geological map of Harput consular district showing locations of mineral deposits may be seen at the Bureau of Manufactures.]

With the exception of a silver mine near here that was worked many years ago, no mining has been done and no investigations have been made, but the traces of the more valuable minerals are unmistakable. The oil taken from one section has frequently been tried for illuminating, and the Kurds have been manufacturing their own gunpowder from the saltpeter deposits for many years.

In the Vilayet of Diarbekir copper has been mined with Turkish capital, but as the output had to be transported by caravan to the seacoast at a heavy expense it has not been worked as well as it might be. However, with the advent of the new railroad to Bagdad it is believed that this mine will be worked regularly, as the percentage of copper is very high.

There are also several coal fields within this district and one within a few hours of Harput. These veins of coal are several feet in thickness and the coal is of good quality. Owing to governmental restrictions, none of this coal has been used, but now that these restrictions are removed mining will likely be commenced at once. The development of these mines will probably prove a greater boon to this country than the development of any other of its resources, as it will not only give employment to many men, but because of its cheapness in comparison with wood, coal will at once come into universal use, as each year the wood supply is becoming scarcer.

AGRICULTURE—FARM MACHINERY.

The annual output of grain in this district is estimated at 1,000,000 kilés (kilés = 169.68 pounds). Of this amount wheat is the principal item and the output is about 660,000 kilés, the balance of the crop being barley, millet, and other cereals. Owing to the long distance to the seacoast and the high freight rates there is no wheat exported from this district and the consumption always equals the amount raised.

Agriculture is by far the greatest industry of Asia Minor and at least nine-tenths of the people are engaged in this one occupation. From about the 1st of June throughout the balance of the year it seldom rains and the farmers are dependent entirely on irrigation for raising their crops. The water used in irrigation is brought down from springs on the sides of the hills and mountains by means of trenches, and no artificial means are employed for pumping.

The soil, owing to its having been tilled for centuries and not having been renewed or cared for, produces a poor harvest at any time, and the work necessary to raise these crops is far greater than that required on the improved farming land in the United States. The heavy torrential rains of early spring have long since washed the soil from the mountains, which are always barren, and only the valleys and table-lands are cultivated. Although crops are scant, and one-

tenth to one-eighth of the grain raised is paid to the Government for taxes, this country not only manages to feed itself, but the districts near the sea export grain in considerable quantities.

A plow to an agriculturist here will not answer the purpose unless it has only one handle, as a goad must be carried in one hand to prod the animal. There must be no waste of anything grown, and so a reaper or mower or even a cradle will not do for cutting the grain. A sickle is used instead, so that the stalks may be cut even with the top of the ground, for every particle of the plant, from the head to the roots, is used. A thrashing machine would seem indispensable to take the place of the slow laborious process of tramping out the grain now in use, but unless the thrashing machine can be made to do the kind of work these people want, it is useless to them. The wheat straw that has been cut and ground to pieces by the thrashing process is the principal food for the horses, cattle, camels, sheep, and goats during the winter, and unless a machine could be introduced to tear up the straw in the thrashing it could be of no use here. Even if these people could appreciate and learn to use modern agricultural appliances, they are so poor individually and as a class that it is useless to try for a time to introduce such machinery without the assistance of the Government.

The new governor-general of this district is deeply interested in improvements of all kinds and he is trying to have the people educated along certain lines. One scheme now on foot is the employment of an Armenian graduate of an American agricultural college, lately returned to this place, as a farming expert to educate the people in the rudiments of their calling and to familiarize them with the use of farming implements by raising crops at an experiment station. If this arrangement is perfected, as it now seems likely, a start may be made toward getting a stock of American agricultural implements.

TRADE OF THE VILAYET OF DIARBEEKIR.

Diarbekir lies immediately to the south of the Vilayet of Mamouret-ul-Aziz (Harput) and is included in the Harput consular district. It also lies in the interior of Asia Minor, and the inhabitants are principally engaged in agriculture and the raising of sheep and goats.

The district bears every indication of being rich in minerals, coal, and other deposits, although but little mining is carried on. A copper mine has been worked near Arghana-Maden for many years, but owing to the primitive methods of mining and smelting and the long and expensive caravan journey to the coast, the mine is not worked to its full capacity.

During the local disturbances last year much of the grain was destroyed and a large portion of the camels, cattle, sheep, and other live stock were driven off, leaving the district in a destitute condition, with diminished import and export returns.

It is through this district that the Germans have procured a concession to build a railroad from Constantinople-Konieh to Bagdad. The road is now completed as far east as Eregli, and upon its full completion this district, so rich in mineral resources, is bound to improve.

JERUSALEM.

By CONSUL THOMAS R. WALLACE.

The cultivated fruits common to this district are grapes, peaches, pears, apricots, plums, oranges, limes, lemons, bananas, mulberries, pomegranates, prickly pears, olives, figs, and melons. The nuts are walnuts and almonds.

The most important and valuable of these products are olives, grapes, and figs. Oranges and lemons are cultivated most extensively in the vicinity of Jaffa and at Jericho. Other places on the plain of Sharon and that of Philistia are increasing their production of this fruit. The grape is common to the whole country, is of excellent quality as a food product, but some fault is found with the keeping quality of its wine. The olive and the fig are almost indispensable in the mountain sections because of their adaptability to varied conditions, their growth, and prolific fruitage in the shallow soils, and their use as food for the people. Melons are raised extensively on the plain of Sharon and form an important item in the commerce of the district.

The agricultural and food products common to all localities are wheat, barley, peas, potatoes, millet, European vegetables, and other vegetables common to the land. Small quantities of maize and sugar cane are produced, and cotton of an excellent quality is grown. In the Jordan Valley and the plain of Jericho, 900 to 1,000 feet below sea level, the vegetation is tropical in character, resembling that of Arabia.

Sesame, which is raised principally for its oil, is produced on the plains in considerable quantities. The by-product, after the oil is extracted, is used as feed for stock, and the peasants also use it to some extent as food. Also the seed is sprinkled over thin cakes of flour and water and is eaten by all classes as a food, especially during the fast of Ramadan. It is rich in nutritious properties. Dourra, a kind of millet, is another product important to the district. It is cultivated generally, and is used as feed for stock and poultry and as food for the country people.

Nothing can be said in commendation of the system of farming pursued in this land. At the same time the industry of the people can not be too highly praised. It is pathetic to see the amount of labor expended by these poor people to accomplish so little, and the indomitable patience shown in the accomplishment of their tasks.

MINERAL RESOURCES.

The mineral resources of Palestine are undeveloped, although rich deposits of asphaltum, apatite, or native phosphate of lime, salt, sulphur, marls, and bituminous rocks are known to exist in great quantities, easily accessible, and convenient for mining. Each of these minerals is plainly indicated by the outcrop, which shows the deposits to be of great magnitude, especially the salt and phosphates or apatite.

Some of the natives use for fuel the asphaltum, which outcrops in many places and is easily procured. It is probable that some of the asphalt found is of the nature of asphalt coal.

Asphalt is distributed over a large tract of country adjacent to and in the vicinity of the Dead Sea. It outcrops in many localities, expos-

ing well-defined veins or strata. A native has a concession from the Government permitting him to gather all of this product found floating in or on the margin of the shores of the Dead Sea. The product thus gathered is of fine quality and is much preferred to the ordinary article of commerce, but is not found in sufficient quantities to give it a distinctive commercial character. The native holding the concession sells the asphalt for 10 cents per pound or more, but under his concession he is not permitted to dig it from the bottom of the sea or to mine it from the ground. This price would preclude its sale for general commercial purposes, but if permission were given to procure it in a business way, and it proved to be of as good quality as that found by the native, it would meet with ready sale in large quantities and at remunerative prices.

The demand as well as the price for high-grade asphalt is constantly increasing, and the trade dealing in the finer qualities finds it difficult to supply the market. An examination into the source of supply of such material would show that in the hills and the valleys surrounding the Dead Sea lies dormant a source of wealth which offers splendid inducements for investment. Economic conditions of the people of the whole district would greatly benefit by the development of these mines, and an opportunity would be opened for wage-earners, hundreds of whom are eager to work.

PHOSPHATE OF LIME, SULPHUR, AND SALT.

Another source of undeveloped wealth is the great phosphate beds known to exist in different localities. During the latter part of 1908 a vast bed of phosphates was discovered within 10 miles of this city, containing an inexhaustible supply, and great things are said to have been promised in return for the permission to open, operate, and develop it—one of which is the building of a harbor at Jaffa. There are well-defined deposits of phosphates appearing on the east side of the Jordan, one in particular from which outcrops in vast quantities may be seen. Some preliminary work has been done in the way of opening ditches. The covering is about 6 or 7 feet thick, and a depth of about 10 or 12 feet has been dug through the deposit, which is said to be very rich in phosphates. It occurs with white limestone. A sample has been analyzed and found to contain 40 per cent phosphates. The entire body of this bed has not been fully ascertained, although a depth of many feet has been disclosed.

There are promising deposits of sulphur near the Dead Sea. Nodules of pure sulphur incrustated with hard gypsum have been found on the terraces of the declivities of the Jordan.

On the west side of the Dead Sea, near its southern end, appears a veritable mountain of rock salt. It faces the sea for a distance of 6 to 8 miles. The mountain of which these salt strata form a part, Jebal Usdum, is about 600 feet high. The salt cliffs are 150 to 200 feet in height.

IMPORTS AND EXPORTS BY ARTICLES.

In the following comparative table are given the imports into the Jerusalem consular district for 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bedsteads.....	\$14,400	\$18,650	Millinery.....	\$51,925	.....
Breadstuffs:			Oils:		
Flour.....	163,000	169,950	Olive.....	123,000	\$77,400
Wheat and barley.....	133,000	.....	Petroleum.....	153,550	227,440
Cattle.....	.....	40,000	Paints, etc.....	25,925	31,350
Caustic soda.....	42,200	42,375	Rice.....	195,500	276,050
Cloth.....	54,300	68,450	Salt.....	27,775	15,000
Coal.....	26,425	74,950	Spirits, wines, etc.....	42,850	38,800
Coffee.....	93,575	131,825	Sugar.....	204,800	193,100
Cotton goods.....	1,338,350	1,158,750	Tiles and bricks.....	65,475	60,225
Fancy goods.....	.....	40,650	Timber.....	218,450	236,275
Iron and steel, manufac-			Tobacco and tumbeki.....	266,625	292,550
tures of:			Zinc, copper, and tin.....	29,700	24,950
Bars and girders, iron..	157,100	174,950	All other articles.....	307,500	358,010
Hardware.....	258,625	205,750			
Machinery.....	41,950	59,550	Total.....	4,046,000	4,017,000

The exports from Jaffa, the port of Jerusalem, in 1907 and 1908, respectively, were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beans.....	\$43,330	\$99,650	Sesame.....	\$236,625	\$273,725
Bones.....	.....	4,350	Soap.....	444,350	706,925
Colocynth.....	24,950	22,500	Watermelons.....	80,750	110,500
Dari.....	49,620	72,000	Wheat.....	.....	20,900
Hides.....	51,300	51,650	Wine.....	160,250	211,000
Lupins.....	79,870	72,690	Wool.....	48,400	8,050
Oil, olive.....	.....	1,375	All other articles.....	163,130	148,060
Oranges.....	895,925	844,725			
Raisins.....	19,000	.....	Total.....	2,421,709	2,781,830
Religious articles.....	115,200	133,750			

The tables of imports and exports do not present a true picture of trade conditions in this district. The facts are that all classes of business suffered during the year. The financial crisis and industrial depression of other lands had their influence upon the business interests here.

Enormous sums are sent to Jerusalem annually for benevolent and ecclesiastical purposes. The actual amount can not be ascertained, although the estimates would place it as greater than from any other source of productive supply. The receipt and distribution of these funds, and their absorption into business and trade, explain the anomaly appearing in this report; that is, that the failure of the crops and other unfavorable conditions of business have not apparently affected the commerce and trade of the district, at any rate to such an extent as to be noticeable in the value and amounts of imports when compared with preceding years.

Jaffa is the chief port of the district through which the foreign trade is carried, except for the exports of barley from Gaza. The value of the exports from Jaffa in 1908 exceeded that of any other year in its history, while the imports were only \$30,000 less in value than the best preceding year. The value of barley exports from Gaza averages about \$1,000,000 per year, but because of better prices a lesser quantity shipped last year exceeded that sum in value.

AGRICULTURE AND HORTICULTURE.

The farmer and fruit grower were more successful in their respective industries in 1908, there being a complete reversal of conditions existing in 1907. The products of the farm were of fine quality and above the average. The higher prices paid for them helped to recoup the losses of the year before and assisted greatly in bettering conditions affecting labor and trade.

The improved conditions were not fully shared by the hill farmer because of the failure of the olive crop. Those who suffered most from this cause were in the many small communities that depend upon this product for their maintenance and support. In 1907 the people of Gaza and locality were compelled to go outside to purchase food for themselves and feed for their stock. In 1908 they exported over \$1,000,000 worth of barley alone, while a considerable amount of this product was also sold in the local markets for domestic use.

The wheat and barley crops for 1908 were 22,100 and 48,000 tons, respectively, as against 15,000 and 42,000 tons in the previous year. On account of the heavy demand in foreign countries and the failure of the harvest in Tripoli, the price of barley rose about 40 per cent in the middle of the season, but toward the end it fell slightly. The sesame crop increased from 3,000 tons in 1907 to 6,000 tons in 1908, dari from 3,700 to 4,500 tons, beans from 1,800 to 5,300 tons, and lupins from 3,000 to 3,800 tons.

The grape is produced in abundance and is used both for food and for wine. Brandy is also manufactured from it in considerable quantities. The yearly crop can be depended upon with slight variation as to the quantity and quality. In 1908 the product was up to the average and large quantities met with ready sale in the local markets for table use. But a less quantity was converted into wine than formerly.

The orange crop of 1907-8 reached a total of nearly 900,000 cases, of which 716,000 cases were exported, England taking 515,000 cases, Egypt 96,000, Austria 16,000, Turkey 68,000, Russia 14,000, Germany 6,000, and France 2,000.

Good prices were well sustained at the beginning of the season, and stood at about \$2.25 per case, but later they fell much lower. The yield for 1906-7 was 800,000 cases, of which 635,000 were exported.

SOAP EXPORTS—ADVANCE IN PRICES—RAILWAY RECEIPTS.

It is estimated that 7,000 tons of soap were manufactured in 1908, of which 5,000 tons were exported to Egypt, which is the principal market for that article. This industry has suffered greatly from the financial strain through which the country has passed. The small yield of olive oil has induced merchants and manufacturers to import oil from Meteline, where the price of this commodity is reasonable.

The price of petroleum varies from 20 to 25 per cent, depending on the stock on hand and the expense of storage which this article pays for remaining in the municipal stores. The price generally declines on the arrival of a new shipment. Candles have fallen in price about 15 per cent since 1907.

The advance of 30 to 35 per cent in the prices of flour and wheat that occurred in 1906 is still maintained, with a tendency in the

prices to rise still higher. Building materials, such as iron, tiles, lumber, lime, cement, and plaster, have all advanced in price since 1907. The advance in iron has been 10 per cent, and in tiles 5 per cent, while lumber, which rose 30 per cent in 1906, has remained at that point. Manufactured products are generally advancing in price. Paper and cardboard particularly have risen from 15 to 20 per cent over 1907 prices. Textile fabrics also have advanced. As to food products, meat and poultry have advanced about 20 per cent over the prices in 1906, and show a tendency to go higher. Eggs have increased about 100 per cent since 1905. Butter has been advancing since 1905 about 10 per cent each year.

The receipts of the railroads in 1908 were \$211,817 as compared with \$211,515 in 1907. Freight carried amounted to 36,000 tons.

FINANCES.

The failure of the crops of 1907 occurring about the time that the financial depression existing in other lands began to have its influence here, many small concerns were seriously embarrassed, and a considerable number of them were closed up. Money was plentiful in the banks, but extreme caution became necessary in making loans. The rate of interest was slightly increased, but with undoubted security loans were easily effected. Exchange was somewhat higher, and available cash as well as the amount of deposits was below the normal. Noticeable improvement commenced during the latter half of 1908 and the economic situation gradually improved. Good crops were harvested with better prices. This produced the needed stimulus, and a marked improvement has taken place in all classes of business.

One of the causes given for the improvement was the largely increased area of land put into cultivation by the action of the Government in 1907. This applies to the region of Gaza in particular. A subgovernor was appointed for a newly created government center at Beersheba, on the plain of Philistia, where large government buildings were erected, and everything possible was done to attract and afford protection to the Bedouin of the interior. This effort was successful, and large numbers were induced to sow and cultivate additional tracts of this large and fertile plain. This gave that region a degree of prosperity unknown before and helped to create better economic conditions throughout the province.

DECLARED EXPORTS TO THE UNITED STATES.

Tourists carry away with them purchases made while here, and large quantities of articles bought are shipped by express or parcels post without being declared at the consulate, so that not more than 20 per cent of the goods purchased for the United States are represented in the declared exports.

In the following table is given the value of the declared exports from the Jerusalem consular district to the United States during 1907 and 1908.

Articles.	1907.	1908.	Articles.	1907.	1908.
Books.....		\$452	Tobacco.....	\$1,159	
Citrons.....	\$324	1,714	Wines and spirits.....	42,470	\$21,605
Household effects.....		1,441	Wood, manufactures of.....	2,309	1,137
Mother-of-pearl, manufactur of.....	23,650	15,424	All other articles.....	64	281
Rugs.....		495	Total.....	69,976	42,944
Sausage casings.....		395			

The financial crisis and less prosperous conditions in other lands, especially in the United States, affected the business interests of the district, fewer wealthy tourists visiting the Holy Land. The difference was not so much in actual number of tourists as in the amount and value of their purchases.

MERSINE.

By VICE-CONSUL JOHN DEBBAS.

The declared value of exports from Mersine to the United States in 1908 was \$40,090, against \$13,346 in 1907, and \$86,735 in 1906. The articles were as follows:

Articles.	1906.	1907.	1908.
Carpets.....			\$325
Gum tragacanth.....	\$3,435	\$1,592	18,855
Guts, salted.....	699		487
Oil, sesame.....	6,242	7,876	7,363
Seeds, sesame.....	178	591	15
Wool.....	63,186	2,903	12,842
All other articles.....	13,025	384	203
Total.....	86,735	13,346	40,090

The figures given in the table are much below the real value of the goods exported from here to the United States. Owing to the absence of direct shippers from this port, most of the goods are forwarded through firms in Constantinople, Smyrna, or Saloniki, therefore no local statistics can determine the real destination thereof.

CULTIVATION OF COTTON.

With a view to supplying German spinners with cheap cotton the Deutsche Levantinische-Baumwoll-Gesellschaft was established in this district four years ago, which in order to improve the native crop made different experiments with foreign seeds. The Egyptian in four different varieties was first tested, but failed both in yield and in quality. After such unsuccessful experiments, due probably to the unfavorable conditions of the soil and climate, the society next directed attention to American cotton. Samples of the native-grown cotton were sent to New Orleans for examination and comparison with the American types, and it was decided to introduce some of the long-staple upland varieties. Every year since 1906 fresh seed has been imported and cultivated throughout this district and the experiments are still giving satisfactory results, in spite of

the imperfection in the process of cultivation and the total absence of fertilizers in the soil. However, it has been ascertained that the American plant does not resist the drought so well as the native plant, and besides that it requires more workmen to pick the cotton, as the bolls open, while the native product is gathered only once with the bolls which retain the lint even after full maturity. These two difficulties will always prevent the general adoption of the American plant in this district, where permanent workmen are scarce and irrigation almost impossible with the present conditions of the rivers.

INACCURATE STATISTICS OF AMERICAN IMPORTS.

It is impossible to obtain any accurate statistics as to imported American goods as the custom-house registers such goods as products of the last shipping port from which received, without considering whether such shipment is in transit. Consequently it is not surprising that most American goods destined for this port are included among the import articles from the European country where the last shipment took place.

The leading articles of American import are cabot cloth, agricultural implements, nails, rubber shoes, and oils. American cabot cloth, notwithstanding the keen competition of Italian manufacturers, stands the highest in the market, both in quality and in price. American nails are not surpassed by those of Belgian make, which are considered as high grade. German makers are also competing, but with no great success. Agricultural implements well deserve to be taken into consideration, as this exclusively agricultural district will afford, in the near future, a wide field for profitable transactions in this line. Reapers are the only implements imported from the United States, while thrashing machines and steam plows are purchased from England, and a few horse plows from Germany. It is suggested that American manufacturers of such articles cooperate and send an experienced person to carefully ascertain the proper implements to best suit this country.

Notwithstanding the increased prices in 1908, the imports of oleomargarin were about the same quantity as in the previous year, about 2,000 barrels, representing an approximate value of \$80,000. This trade would be more extensive if the local buyers could have direct supplies, so as to avoid extra charges of middlemen, and especially the extra expenses and damages incident to transshipment.

INDUSTRIAL DEVELOPMENT.

The development of industries in this district during the last two years is worthy of attention. Besides the addition of machinery to the existing plants, new cotton gins, flour mills, ice plants, and spinning and weaving factories were established, and two factories for making sugar and packing paper are projected.

Previous to two years ago this district had two spinning factories, with only 1,200 spindles and 80 looms, while at present (January, 1909) there are four plants of this kind, with 43,000 spindles and 600 looms. The newest of these, and the most important, is the one in course of construction at Tarsus by Mohammed Rassim Bey, of Cairo, Egypt. It contains 20,000 spindles and 400 looms, and will

be driven by electric power. The Bey has applied for a concession to take the necessary power from a narrow pass on the river Cydnus, situated about 8 miles from Tarsus. The concession includes also the transportation of the power to Mersine and Adana for light and other industrial purposes. This is an important enterprise, which may furnish an excellent opportunity to American manufacturers. This consulate is well informed about the steps that will be taken in this matter, and will be glad to answer inquiries from interested parties.

Electrical machines, which were prohibited by the old régime, are freely imported since the proclamation of the constitutional government. The concession for electric lighting, obtained by the municipality of Tarsus, was undertaken by a Swiss engineer, who supplied the necessary machinery and material partly from Switzerland and Italy and partly from Germany. It is surprising that no inquiry concerning this matter was made by any American firm, while European manufacturers authorized special agents to give bids on the supplies.

MINING OPERATIONS.

Although minerals are abundant in this part of Asia Minor, very little mining is done, owing to the conditions imposed by the ministers of the old government régime, in granting mining concessions. Besides the mine of Bulgar Maaden, which has been worked for a long time by the Government, and which produces enough lead and silver to pay expenses, there are three chrome mines in operation in the vicinity of Mersine. The output from these mines during 1908 scarcely reached 2,000 tons of chromium ore, the reason being the depreciation of prices in the European market.

Three other mining concessions were granted two years ago to an English society at Anamoor, within this district. They produced last year about 80,000 tons of iron ore, 1,500 tons of zinc, and 1,000 tons of argentiferous lead. The company is endeavoring to secure concessions for other mines in the same vicinity. Such concessions are now more easily obtainable since the new constitutional government has been modifying the general conditions governing the granting of them. Therefore mining in this country should attract the attention of American capitalists, who might secure profitable investments for their funds. Should any interested parties inquire concerning this matter, this office will supply all required information.

SMYRNA.

By CONSUL-GENERAL EDWARD H. OZMUN, CONSTANTINOPLE.

The total foreign trade of Smyrna for 1906, the figures being the latest available, amounted to \$39,686,027, of which the imports were valued at \$27,369,633 and the exports \$12,316,394.

The year 1908 marked a great advance in the importation of American goods into this district. This is especially the case with American shoes, hardware, and novelties, which seem to have taken a grip on the market. The removal of the restrictions formerly prevailing against the importation of revolvers and ammunition has caused quantities to be imported, and a large portion are of American manufacture.

The exports of figs to the United States in 1908 showed a decrease from 1907. The production in 1908 was 106,000 loads of 4 hundredweight each, and had the weather conditions been favorable there would have been a greater crop. The continued strikes on the Aidin Railroad, along which practically all the figs are grown, caused serious losses to both producers and merchants. Thousands of sacks ready for packing were left at up-country stations, where they rotted for want of transportation to the packing establishments.

The exports of emery stone in 1908 were 25 per cent greater than in the average year, although the shipments to the United States fell short 50 per cent.

The raisin crop of 1908 was estimated to have reached more than 62,000 tons, while the quantity of opium produced amounted to only 769,440 pounds, a decrease of 40 per cent.

CLASSIFICATION OF EXPORTS.

The declared value of the exports to the United States during 1908 was \$2,413,937, against \$3,001,807 in 1907, a decrease of \$587,870. The articles are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Carpets.....	\$82,892	\$149,278	Licorice root.....	\$619,642	\$434,023
Casings.....	1,089	3,550	Oil, olive, etc.....	270,964	127,119
Chrome ore.....		5,314	Opium.....	388,206	411,664
Emery stone.....	226,478	132,404	Skins.....	15,423	15,664
Fruits and nuts:			Soap.....	14,881	15,586
Fruits—			Taheen.....		10,141
Figs.....	778,824	629,155	Tobacco.....	236,218	257,831
Raisins.....	119,892	150,568	Valonia.....	1,167	10,177
Nuts—			Wool.....	199,712	35,077
Pistachio.....	1,448	1,450	All other articles.....	21,880	16,648
Walnuts.....	3,050	2,432			
Gall nuts.....	4,380	4,379	Total.....	3,001,807	2,413,937
Gum tragacanth.....	15,655	1,435			

TREBIZOND.

By CONSUL MILO A. JEWETT.

The year 1908 was one of the worst for business that this region has experienced for a long time. It was the third year of short crops in many of the interior districts. Almost everywhere the people felt the pinch of famine and in some regions they were on the verge of starvation. The purchasing power of the people at best is never great, but this year it was at low ebb.

The attitude assumed toward Austrian goods and Austrian shipping during the last quarter of the year added to the depression of business, and increased slightly the prices to the consumers of merchandise commonly supplied by that country. These special depressing conditions were added to the old condition of progressive impoverishment. Under such circumstances local undertakings were postponed, foreign capital was scarce, and even the ubiquitous commercial traveler cut down his visits to this region.

AGRICULTURE AND MINING.

On the other hand, crops on the coast were well up to the average. The nut crop was good and prices fair. The tobacco crop was smaller than in the previous year, but prices were 25 to 50 per cent better than in 1907. The beans turned out well, and fruits near the coast were abundant. The scarcity of wheat in the interior of the country necessitated a large importation of flour and corn. These and other items helped to bring the total volume of trade almost up to the figures of previous years; but the total figures for this year, though fairly large, must not be taken to indicate a prosperous or normal condition. The people of the distressed districts bought food when they should have sold it, and the Government, local charity, and foreign benevolence had to come to their aid.

Agriculture is the one industry of importance in this part of Asia Minor. There are no factories and no manufactured goods are produced that enter into foreign commerce. The rude implements of agriculture are mostly devices of the home or of the village blacksmith. The wants of the people are relatively few and simple. The devices of modern civilized life are as yet unknown and unsought by the mass of the people of eastern Turkey.

Though this country is rich in minerals, no mining is being done in this district. There is, however, a considerable interest in the subject. Research permits are being taken out and some exploring is being done. As soon as the local conditions are more favorable it is probable that the mines, especially those near the seacoast, will be developed.

TRADE WITH THE UNITED STATES.

The United States in 1908 bought nearly \$1,000,000 worth of products in this district, but sold not one-tenth as much. The United States furnished nails, barbed wire, sewing machines, rubber overshoes, unbleached cotton, remnants, lamps, files, saws, firearms, oleo oil, cotton-seed oil, cornstarch, breakfast food, cement machines, petroleum motors, boats, plows, paint, leather, stoves, pumps, window-shade rollers, and a few drugs. These goods were all sold in small quantities and mostly through Constantinople houses.

Distance and consequent high freight charges and delay in delivery, keen European competition, and American indifference on the one hand, and the demand for cheap goods, long credits, small orders, and conservatism on the other, are chiefly responsible for the small share in the import trade which the United States has in this district.

American merchants do not seem to appreciate the backward condition of the Asia Minor provinces. The people of this district buy the necessities of life and a few of the cheapest sort of trinkets. Machinery and its myriad accompaniments are still to be introduced here, but unfortunately the people are too poor to buy.

IMPORTS AT TREBIZOND.

The estimated value of the imports at Trebizond is given in the table on page 678, which was made up from the record of steamship agencies and estimates obtained from importing merchants. It shows a total value of \$7,127,000 for the year 1908, against \$9,291,160 for 1907.

Articles.	1907.	1908.	Articles.	1907.	1908.
Breadstuffs:			Hides, skins, and furs	\$36,000	\$40,000
Barley, wheat, etc.	\$57,000	\$65,000	Jewelry and watches	26,000	30,000
Corn	281,000	353,000	Leather and shoes	216,000	135,000
Flour	420,500	835,000	Matches	140,800	117,000
Macaroni and biscuits	29,900	18,000	Olives and olive oil	112,200	114,000
Candles	26,000	15,000	Paints and dyes	36,000	35,000
Canned goods	45,000	48,000	Paper	64,400	34,000
Chemicals and drugs	38,000	25,000	Petroleum	74,000	50,000
Coffee	89,760	54,000	Rice	88,000	102,000
Copper	70,000	39,000	Sacks and sacking	79,000	68,000
Cotton, and manufactures of:			Silks and velvet	191,000	75,000
Raw	17,600	15,000	Soap	61,000	55,000
Cloth	2,122,000	1,486,000	Spirits, wine, etc.	48,600	60,000
Yarn	352,000	282,000	Sugar	510,000	455,000
Crockery and glassware	85,800	30,000	Tes	409,000	278,000
Fruit	56,000	50,000	Tiles, bricks, etc.	61,600	28,000
Haberdashery	150,000	65,000	Timber, etc.	75,000	70,000
Iron and steel, manufactures of:			Tin, lead, and zinc	56,000	30,000
Hardware	92,000	90,000	Tobacco	239,000	210,000
Iron and ironware	213,000	160,000	Woolen goods	2,097,000	1,097,000
Sewing machines	15,400	14,000	All other articles	500,000	400,000
			Total	9,291,100	7,127,000

COTTON AND WOOLEN GOODS—CLOTHING.

Cotton textiles occupy first place among imports to this country, furnishing about one-fourth of the total value of goods imported to this district. In this trade England, which at one time had almost a monopoly of this class of goods, is losing heavily to Italy. The United States is also losing the small portion of the trade it had, which was chiefly in cabots. Italy has imitated the best-selling goods and offers them at lower prices than other countries ask. One important element in the success of the Italian cotton trade is the fact that Italian manufacturers have been ready and willing to change their styles of goods, and make such patterns, colors, weights, widths, lengths, and folds as their clients want.

The proportion of homespun cloth worn by the natives of this country is diminishing, it being replaced by imported goods. Turkey will buy an increasing amount of cotton fabrics and there will be keen competition for this important trade.

Woolen goods hold second place in the value of imports. Though owing to the unfavorable trade conditions less woolen goods were imported during 1908 than usual, the imports of woollens tend to increase as factory cloth replaces homespun. The woolen goods demanded here are of inferior quality for the most part, though a few pieces of fine goods are sold. This market requires something pretty coarse, like the Bulgarian "abas" or "shayaks," or goods with a varying proportion of shoddy and cotton. Germany, Belgium, France, and Austria supply most of the men's fancy suitings. England furnishes the larger portion of broadcloths and castors, and Germany and Austria a small proportion. Ladies' woolen dress goods come chiefly from Germany.

Ready-made clothing has not had much sale here, but it is gaining in popular favor and comes chiefly from Constantinople. The quality sold is decidedly inferior and it does not recommend itself even on the ground of cheapness. Tailoring is cheap, except for foreigners who wish to dress well, and ready-made clothing has but little advantage in price over custom-made garments.

OLIVE OIL AND COTTON-SEED OIL.

Turkey, including its neighboring islands of the archipelago, produces 90,000 tons of olive oil annually. Practically no olive oil is produced in the consular district of Trebizond and the local requirements, which are considerable, are supplied by shipments from other parts of the Empire, from Greece, and insignificant quantities from France and Italy. The annual receipts at Trebizond amount to 100,000 gallons valued at \$64,000. About \$30,000 worth is brought in at Samsoun. The production and exportation of olive oil is increasing in Turkey, although recent crops have been light. The quality of the oil tends also to improve.

Cotton-seed oil was formerly refused admission into the Ottoman Empire except when colored, so as to make it unfit for culinary purposes. About a year ago these restrictions were removed and American cotton-seed oil has since been introduced into this district. Being cheaper and better than much of the olive oil offered here, it should find a good sale.

INCREASED USE OF IRON MANUFACTURES.

The imports of iron into Turkey are increasing. In 1900 they amounted to 66,857,900 pounds and in 1905 to 118,349,000 pounds, according to official statistics of the custom-house. The increasing scarcity and cost of wood and the improved methods of building account for a considerable increase in the quantity of building iron imported. There is also a gradual increase in the use of iron implements and wagons. England formerly supplied practically all the iron imported into Turkey, and the English measure in inches is still employed in the Turkish iron trade, although the bulk of the iron comes from countries using the metric system.

At Trebizond during the year 1908 about 900 tons of bar, round, square, flat, and construction iron and steel were imported. The larger portion was from Sweden and Belgium. It was sold at \$28 to \$38 per ton, c. i. f. Trebizond, 3 per cent discount. The interior provinces take the major portion of the soft Swedish iron. A considerable portion of it is used in making horseshoes and horseshoe nails. The horseshoes here are nearly all made by hand and consist of flat disks with small holes in the center. The large-headed nails employed in nailing on the shoe serve as calks. In the coast towns malleable iron is being replaced by soft steel.

Sheet iron was imported chiefly from Belgium and Austria to the amount of 600 tons. It comes in bundles of 105 to 110 pounds in sheets 36 by 22 inches, 30 by 60 inches, and 29 by 72 inches. It is used chiefly for making stoves, stovepipe, and window shutters.

The imports of wire nails amounted to 556 tons. In this article the United States had a share of about 15 per cent, but it is difficult to determine the exact amount, as the merchants of Trebizond buy in part from Constantinople and do not know the country of origin. American nails are a trifle cheaper than the Belgian, but the higher freight, longer time in getting the goods, and the difficulty of establishing new relations tend to keep the trade in the hands of the Belgians, who quote prices c. i. f. Trebizond, and require payment on the arrival of the goods, with 3 per cent discount.

Belgium supplies most of the steel, though Austria furnishes the better grades. Chains also come from Belgium. Of the running gear of carriages Germany supplies about 70 per cent and France about 30 per cent. In this line there is an increasing consumption. Barbed wire, the use of which is becoming quite extensive, probably comes from the United States, though being shipped from Antwerp and Hamburg it is not credited to that country.

HARDWARE AND TOOLS.

Most of the house hardware and tools imported here are of German make. England has lost considerably in this line. An attempt to introduce American hardware was not successful because, although it was recognized as superior, the prices were considered too high. Here it is cheapness rather than quality or durability that is demanded. Some American files, saws, planes, and stoves are sold here.

Agricultural implements of foreign make have not yet been introduced into this consular district to any great extent and the more complicated agricultural machines are still unknown. Austrian scythes to the number of 50,000, a considerable number of light, cheap shovels, 500 American plows, and a few cornshellers cover about all the agricultural implements imported in 1908. The American plows may be considered as missionaries of the American agricultural implement trade.

The iron bedsteads imported came mostly from England, and were of the cheaper grades of single or three-quarter beds. A few American brass bedsteads were imported as an experiment, but they are too expensive to be much in demand here. Ninety-nine per cent of the people of this district are accustomed to sleeping on the floor. A few American kerosene and gasoline lamps are sold here, but most of the lamps are of Austrian or German make.

FIREARMS—AUTOMOBILES—ROADS.

Since the inauguration of the constitution, the sale of revolvers and sporting guns being no longer prohibited in Turkey, the trade in firearms has been active in this country. Almost everyone is buying some sort of a weapon, but no effort to sell American arms is apparent in this district. It is true that American revolvers have long been known in Turkey and are considered superior to all others. A few American revolvers of well-known makes have been sold, but most of the small arms sold here are German and French goods or imitations of American revolvers.

During the last year the subject of automobiles has been much discussed at Trebizond. It was proposed to establish an automobile freight and passenger service between Trebizond and Erzeroum, a distance of about 175 miles. One automobile of the small omnibus type was bought at Marseilles and came to Trebizond with an experienced chauffeur. It had a seating capacity for seven passengers. It was soon found that the condition of the roads would not permit the machine to go far from the city, and even on the best of the roads in and about the city the tires were quickly used up and frequent breakdowns occurred. It was demonstrated here, and it is

the general opinion of those who have carefully studied the question in other parts of Asia Minor, that until the roads are greatly improved automobiles will not be practicable for this country. Machines will need to be strong, with abundant power, simple and practical rather than elegant.

During the year little work was done on existing roads, and the roadbeds and bridges are in bad condition. Transportation is carried on by means of camels, horses, ox carts, and donkeys.

The lack of railroads and other cheap means of transportation puts Turkey, though an agricultural country, at such a disadvantage that France, and even America, 7,000 miles away, can compete with Turkish provinces in supplying flour to the coast towns of Asia Minor. The ministry of public works has prepared an elaborate programme which contemplates the construction in eight years of 7,940 kilometers (kilometer=0.61 mile) of railroads and many miles of high-ways in Asiatic Turkey.

EXPORTS FROM TREBIZOND.

The estimated value of exports from Trebizond in 1907 and 1908, respectively, is given in the following table. The total exports, including Persian transit goods, amounted to \$2,364,000, which is \$1,300,800 less than the estimate for 1907.

Articles.	1907.	1908.	Articles.	1907.	1908.
ASIA MINOR.			ASIA MINOR—continued.		
Beans.....	\$158,000	\$145,000	Wax.....	\$2,200	\$2,000
Butter.....	26,000	28,000	Wool.....	5,000	7,000
Filberts.....	880,000	750,000	All other articles.....	265,000	200,000
Eggs.....	189,000	180,000			
Fruit and vegetables.....	44,000	40,000	Total.....	2,750,800	2,295,000
Furs.....	8,000	8,000			
Glue.....	30,000	25,000	PERSIAN TRANSIT TRADE.		
Hemp and flax.....	22,000	28,000			
Hides and skins.....	165,000	195,000	Carpets.....	600,000	52,000
Indian corn.....	12,000	.....	Raisins.....	54,000	6,000
Linseed.....	33,000	35,000	Sausage casings.....	.....	6,000
Poppy seed.....	22,000	.....	Silks and embroideries.....	200,000	.....
Oil, populse.....	23,000	15,000	All other articles.....	60,000	5,000
Sausage casings.....	8,000	24,000			
Sheep and goats.....	469,600	225,000	Total.....	914,000	69,000
Tobacco.....	365,000	372,000			
Walnut wood.....	24,000	16,000	Grand total.....	3,664,800	2,364,000

The declared value of exports from the consular district of Trebizond to the United States for 1907 and 1908, respectively, was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bamias (okra).....	\$134	\$517	Poppy seed.....	\$10,298	\$850
Beans and lentils.....	1,311	6,236	Provisions.....	447	.....
Carpets and rugs.....	3,547	1,538	Raisins.....	6,155	.....
Excrement, dog.....	.....	132	Sausage casings.....	187	6,161
Fish.....	.....	111	Skins, sheep and goat.....	67,999	106,721
Fruit, dried.....	176	176	Tobacco, cigarette.....	375,353	582,238
Hemp seed.....	237	103	Wool.....	25,209	2,063
Household goods.....	524	.....	Other articles.....	.....	617
Nuts:					
Filberts.....	65,666	79,865	Total.....	569,196	802,747
Walnuts.....	41,956	12,419			

The increase of exports from the Trebizond district to the United States has been rapid and steady. The value of American purchases in 1897 was only \$18,238 and in 1907 it was \$599,198. The increases in 1907 and 1908 were more largely in dutiable goods than in non-dutiable.

This district furnished about 6 per cent of the total purchases taken by United States from Turkey in Europe, Asia, and Africa, according to the figures for 1906.

The exports of this district are almost wholly agricultural products and the United States takes a fair proportion of the total. The most important exports are tobacco, nuts, sheep and goat skins, beans, sheep, and wool.

ANALYSIS OF TRADE.

Cigarette tobacco is one of the most important products of this district. The Trebizond crop of 1908 amounted to 43,640 hundredweight, which was about 26,000 hundredweight less than the crop of 1907. The prices offered for the 1908 tobacco, however, were 25 per cent to 50 per cent higher than for the crop of the previous year. About 60 per cent of this tobacco is light, the quality exported to Egypt, and 40 per cent dark, the quality bought by the Turkish Regie or exported to Europe. Alexandria, Rotterdam, and Bremen took 32,000 hundredweight of the exports, and only 9 hundredweight were taken by the United States. At Samsoun, which is also in this district, the crop is larger and the quality is superior to the Trebizond tobacco. From Samsoun cigarette tobacco to the value of \$582,238 was exported to the United States.

The filberts of Trebizond and Kerassund enjoy a high reputation. The climate of this coast is well suited to filbert culture, which is one of the most remunerative crops grown here.

This district under normal conditions produces a large supply of sheep and goat skins of good quality. The past three years of short crops and severe winters in the interior of this district have tended to diminish the supply.

The beans of this district are good and cheap. They warrant the cost of transportation to America. Some of the French beans which the United States buys at Marseilles are probably imported from Turkey.

Porpoise oil is one of the export products of this region. The Black Sea seems to contain a considerable number of these creatures.

Sausage casings form an important article of export in which the United States is interested. The annual exportation of this district is estimated at 300,000 to 400,000 pieces. They cost 5 to 8 cents each.

PERSIAN TRANSIT TRADE—BLACK SEA PORTS.

The Persian transit trade was formerly one of the most important commercial interests of Trebizond. This city was the port of entry and of exit for a large portion of northern Persia, and nearly half of the commerce of Trebizond was due to the Persian camel caravan trade. In recent years this trade has suffered severely. The Russian railroads have eliminated the camel, and Russia has captured most

of the Persian export business and is gradually getting a large share of the import business. The imports at Trebizond destined for Persia were valued at \$1,973,000 in 1907 and \$965,000 in 1908.

Russia has under consideration the adoption of customs regulations which will tend to secure for its trans-Caucasian railroads almost all of this transit business, and then Trebizond will suffer a more severe loss. This year Russian flour and sugar were imported for the first time into the Erzeroum district by way of Kars. The political situation in Persia also seriously affected this trade in 1908.

Several lines of steamships furnish excellent shipping facilities between the Black Sea ports and New York by means of their trans-Atlantic connections. At least one transshipment, however, must be made between New York and Black Sea ports.

The foreign commerce of other Black Sea ports in this consular district resembles that of Trebizond in kind, but differs in quantity and importance.

Samsoun is the most important port after Trebizond, and is the port of entry for numerous important provincial towns. Thence goes the main caravan route to Sivas, Harput, and Bagdad. It is the chief port for the tobacco trade, and also exports grain, flour, wool, beans, opium, poppy seed, flaxseed, and eggs. The annual imports are valued at \$5,000,000 and the exports at \$6,000,000.

Kerassund is another important port. It exports annually about \$1,000,000 of native products, including hazelnuts to the value of \$900,000. Its imports are valued at about \$1,000,000. Ordou is quite a progressive city with a caravan route running south to Harput. Its exports are corn, wool, beans, fruits, and hazelnuts. Near Ordou is Vona, where shipping seeks shelter from northwest storms. Unia is a coast town of some importance, being connected with a populous hinterland.

Riza, lying to the east of Trebizond not far from the Russian frontier, is a small town that exports considerable fruit and carries on a flourishing contraband trade with Russia. It is proposed to build a road from Riza to Erzeroum which will be considerably shorter than the Trebizond-Erzeroum road and less likely to be closed by snow in winter.

Sinope, situated at the extreme western limit of this consular district, is the only port in the district which has a good harbor. It exports wool, mohair, lumber, firewood, boxwood, and fruits.

OF INTEREST TO EXPORTERS.

The merchants of Trebizond enjoy an exceptionally good reputation. No business failures of importance occurred here during the last year. By careful inquiry, good clients and good representatives may be found in all the principal cities of Turkey. The Imperial Ottoman Bank furnishes information in regard to the standing of any merchant in this country, and on the basis of a small commission attends to collections on goods payable on arrival.

The credit system is largely employed in Turkey, but payment against shipping documents through the banks is a common and safe procedure.

The people require cheap goods and the merchants demand large profits. Illustrated catalogues are of some value in an educational

way. Catalogues in French could be read by a much larger number of persons here than those in English. A good drummer who would visit the principal coast towns of Asia Minor could do more to advance American trade than all the letters, catalogues, and consular reports combined.

With few unimportant exceptions goods from all countries pay 11 per cent ad valorem duty on entering Turkey. Exports pay 1 per cent ad valorem.

Postal and telegraph facilities are good in this country, especially for the larger coast towns. Shipping is abundant for all needs, and though there is no direct line to the United States there are several lines that give through bills of lading with one transshipment and furnish quicker service than a direct line of freight boats would probably give.

The new instructions given to the customs officials permit the introduction of numerous articles which were formerly excluded or which entered with difficulty. These articles include sporting guns, revolvers, calcium carbide, chlorate of potash, and other chemicals which may be used in the manufacture of explosives, printing presses and type, electrical goods, and safes. The customs regulations requiring the coloring of cotton-seed oil to make it nonedible were also suspended.

At present this portion of Asia Minor does not offer a brilliant prospect for direct trade with America, but it is worth while to work energetically now to secure it indirectly through Constantinople. Turkey at present spends \$140,000,000 per annum for foreign goods and will buy more and sell more as fast as local economic conditions improve.

OCEANIA.

AUSTRALIA.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL JOHN P. BRAY, SYDNEY.

The most conspicuous characteristic of the economic history of Australia for the calendar year 1908 was a marked decrease in the volume of trade in comparison with the previous twelve months. The total trade of the Commonwealth in 1908 amounted to \$554,515,579, and in 1907 it was \$606,527,857. The imports in 1908 were valued at \$241,963,837 and the exports \$312,551,742. For 1907 the corresponding figures were \$252,128,659 and \$354,399,198. In other words, the record for 1908 shows a decrease in the total trade of \$52,012,278, namely, imports \$10,164,822 and exports \$41,847,457. This heavy shortage in exports is attributable, in a large degree, to decided declines in the prices of wool and metals, as well as to the fact that less butter, wool, and wheat were available for export. Droughty conditions in one prominent producing center were responsible for much of this.

But despite these seeming evidences of business depression, the Commonwealth during 1908 enjoyed no small measure of material prosperity. This was particularly noteworthy because during the year there was much uncertainty as to tariff conditions, the whole question of import duties, bounties, and excise being in the hands of committees of amendment in the federal parliament, it having been found that the original commonwealth tariffs were not altogether consistent with the demands of the expanding trade and industry of the federation. Such uncertainty is bound to reflect adversely upon the material welfare of any country, although in the case of Australia the adverse influence must be looked upon as only temporary.

FOREIGN AND DOMESTIC COMMERCE.

As showing the general trend of Australian trade during 1908, and ignoring the smaller figures necessary to exact totals, a few details from the custom-house returns are interesting: The gold imported amounted in value to \$4,739,971, or less than one-half of the imports in 1907. Among the principal articles, other than gold, imported in 1908, were: Apparel worth \$55,964,750; iron and steel, \$4,866,500; jute goods, \$5,839,800; machinery, \$13,382,875; manufactures and metals, \$16,220,045; and timber, \$9,733,000.

Other goods imported in smaller quantities were ale, boots, cordage, leather goods, fish, hats, musical instruments, jewelry, leather, manures, oils, paper, railway materials, rubber goods, spirits, sugar,

tea, tobacco, tools, and vehicles, the value of the last mentioned being \$3,069,107, much of which represented bicycles and motor cars. The imports of tobacco amounted in value to \$1,250,600.

In regard to exports the record for 1908 was one of marked decreases. The following table shows the value of the principal lines of exports for 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals.....	\$1,554,215	\$1,132,911	Grain.....	\$23,115,875	\$15,035,002
Butter.....	13,382,875	11,618,940	Mutton.....	6,083,125	5,912,399
Flour.....	5,839,800	5,033,408	Wool.....	140,602,091	111,502,280

Interstate commerce, however, during the year was well maintained, as was clearly shown by the steady progress of all the steamship lines carrying on the coastwise trade. The steamships do all but a very small part of this interstate trade, because sea freights are lower than railroad freights, and the large centers of population in Australia are all on the coast.

In the following statement are shown the direct imports into and the exports of domestic produce from Australia, by countries, during 1908:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$29,353,199	\$11,199,923	Java.....	\$1,537,903	\$1,250,721
Belgium.....	4,713,109	17,958,230	Natal.....	239,608	3,813,253
British India.....	7,922,996	8,772,533	Netherlands.....	843,346	1,285,785
Canada.....	1,560,259	368,942	New Zealand.....	11,064,261	7,170,624
Cape Colony.....	689,444	3,460,927	Norway.....	1,529,369	650
Ceylon.....	3,323,331	7,818,316	Philippine Islands.....	406,301	2,926,153
Chile.....	138,228	2,159,108	Straits Settlements.....	1,814,943	2,776,134
China.....	337,099	1,351,916	Sweden.....	1,004,144	2,896
Fiji Islands.....	928,275	868,574	United Kingdom.....	145,463,771	141,970,386
France.....	2,331,060	25,023,508	Uruguay.....	39	665,649
Germany.....	17,054,323	43,606,262	All other countries.....	4,741,671	16,967,049
Hongkong.....	1,203,768	3,322,923			
Italy.....	1,120,575	1,642,854			
Japan.....	2,642,815	5,494,565	Total.....	241,963,837	311,897,873

PURCHASES FROM THE UNITED STATES.

The articles imported into the Commonwealth directly from the United States in 1908 were valued at \$29,353,199, against \$28,561,970 in 1907. The following statement shows the principal items and their values:

Articles.	1907.	1908.	Articles.	1907.	1908.
Agricultural implements.....	\$1,198,461	\$1,206,210	Clocks and watches and parts.....	\$312,085	\$215,619
Apparel.....	328,839	254,285	Coffee.....	38,080	24,366
Arms and ammunition.....	487,432	307,033	Cordage and twine.....	495,726	21,280
Blacking.....	78,224	41,106	Cotton and linen goods.....	619,909	339,485
Breadstuffs:			Electrical apparatus, etc.....	52,234	108,815
Barley.....	132,095	431,267	Essences, etc.....	62,909	52,814
Meal.....	35,812	31,497	Fish.....	467,588	820,363
Oatmeal.....	26,801	24,908	Fruits.....	56,072	86,522
Brush ware.....	44,032	32,008	Glassware.....	219,795	120,494
Canvas, etc.....	13,417	24,932	Glue, cement, etc.....	28,878	19,533
Carpets.....	12,955	10,381	Greases.....	23,948	40,027
Cars, carriages and other vehicles.....	551,729	537,442	Hats, caps, etc.....	67,863	20,111
Chemicals, etc.....	526,214	495,253	Hops.....		64,984

Articles.	1907.	1908.	Articles.	1907.	1908.
Instruments:			Minerals and stones	\$63,989	\$64,826
Musical	\$194,946	\$135,539	Oils:		
Scientific, etc.	521,539	529,390	Cotton-seed	12,215	23,669
Iron and steel, manufac-			Kerosene	2,065,790	2,118,312
tures of:			Lubricating	525,679	461,326
Axes and springs	133,094	93,803	Naphtha	122,465	79,926
Bars, etc.		217,796	Oilmen's stores	78,725	81,361
Bolts and nuts	33,122	35,711	Paints and varnishes ..	267,215	229,212
Girders	62,700	146,179	Paper and stationery ..	1,306,626	1,587,640
Machines and machin-			Paraffin	197,210	69,631
ery—			Perfumery, etc.	7,611	8,359
Machines—			Provisions:		
Cash registers ..	64,773	46,942	Lard	3,265	15,717
Electric		400,789	Meat	33,502	33,670
Engines—			Sausage casings	166,176	198,004
Gas and oil	119,774	127,016	Resin	382,043	373,026
P or table,			Rubber boots and shoes ..	44,732	85,808
etc.		179,562	Silk goods	115,935	123,580
Other	234,278	18,006	Soap	180,790	114,735
Printing and			Sugar	140,656	124,440
presses	370,754	190,979	Tobacco, and manufac-		
Sewing	311,865	178,838	tures of:		
Typewriters	206,476	246,212	Cigarettes	109,053	56,303
Other	1,115,586	790,164	Cigars	51,648	141,956
Machinery—			Tobacco—		
Mining	170,152	184,622	Raw	1,541,362	1,781,277
Other	214,005		Manufactured	545,282	305,420
Pipes and tubes	322,284	276,155	Wood, manufacturers of:		
Plates and sheets, gal-			Handles, etc.	187,681	217,257
vanized	491,181	373,904	Laths		79,486
Rails, etc.	33,627	835,901	Spokes, etc.		174,294
Tools	1,413,587	1,563,141	Staves	50,076	63,447
Wire	899,297	1,063,372	Timber	3,068,177	3,976,700
Leather, and manufac-			Woolen goods	77,402	64,284
tures of:			All other articles	3,996,143	3,217,807
Boots and shoes	118,706	171,430	Total	28,561,970	29,353,199
Leather	347,751	356,189			
Other	62,316	33,854			

The total direct imports from the Philippines in 1908 were valued at \$406,301, a decrease of \$58,838 from 1907. The principal articles in 1908 were: Flax and hemp, worth \$249,494; cigars, \$147,273, and unmanufactured tobacco, \$3,950. The imports from Hawaii were valued at \$14,595, of which \$14,071 represented gold specie.

WHAT THE UNITED STATES BUYS.

The exports of domestic and foreign produce from Australia to the United States during 1908 were valued at \$11,641,964, a decrease of \$63,905 from the previous year. The articles are shown in the following comparative statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Coal and coke	\$1,380,947	\$576,377	Wool	\$3,967,433	\$4,282,263
Fertilizers	46,353	29,669	All other articles	143,171	99,193
Hides and skins	1,031,365	829,447			
Machines and machinery ..	41,779	20,830	Total	11,705,869	10,180,567
Metals and ores	4,935,152	4,131,913	Gold and silver specie		1,461,397
Oil, coconut	97,476	28,518			
Pharmaceutical products ..	10,215	12,898	Grand total		11,641,964
Shells, pearl	16,181	150,587			
Wood, and manufactures					
of	35,797	18,822			

The shipments to the Philippines increased from \$2,776,474 in 1907 to \$2,938,303 in 1908. The leading items in 1908 were as follows: Coal, valued at \$937,871; beef, \$734,229; pork, \$87,563; mutton and lamb, \$39,158; bacon and hams, \$33,583; flour, \$440,574; fodder, \$73,522; live animals, \$68,958; earthenware, etc., \$25,682; and timber, \$149,926. The exports to Hawaii were valued at \$328,947 in 1907 and \$374,924 in 1908. The principal articles in 1908 were: Fertilizers, worth \$173,119; coal, \$174,224; provisions, \$17,661, and onions, \$4,063.

PRIVATE AND GOVERNMENT RAILROADS.

On December 31, 1908, there were 3,599 miles of railroad in New South Wales owned by the State, open for traffic, of which 152 miles had been opened during 1908. The length of sidings and cross overs was 516 miles. In addition to this, there were 271 miles of railroad worked by private companies, of which 144 miles were available for general traffic and 127 miles for special purposes only.

Regarding the railroads owned by the other States, statistics are available only for the period ended with June 30, 1908. The figures in miles are as follows: Queensland, 3,359; Victoria, 3,396; South Australia, 1,379; Northern Territory, 145; Western Australia, 1,943; Tasmania, 463; and New South Wales, 3,599; total, 14,785.

The total mileage of the private railroads of the Commonwealth for the fiscal year 1908 was 1,555, of which 916 miles were available for general traffic and 639 miles were for special purposes. Add to this the 14,785 miles of state-owned railroads and the Commonwealth's lines amount to 16,340 miles.

The Australian railroads are built on three different gages. In New South Wales the standard gage is 4 feet 8.5 inches. Queensland employs the 3 feet 6 inch gage, and Victoria the 5 feet 3 inch. These differences lead to much delay at the state borders, where through traffic, both freight and passenger, is subject to the necessity of change of conveyance. Numerous inventions have been brought forward claiming to overcome the break-of-gage difficulty, but up to the present no practical solution has been discovered. To standardize the gage throughout the country would cost, it is estimated, about \$100,000,000.

AGRICULTURAL AND PASTORAL DEVELOPMENT.

To understand the agricultural condition of Australia it is necessary to bear in mind the area under cultivation. The 1907 season showed the biggest returns under this head, namely, 9,545,856 acres, while in 1908 the figures were 9,355,092 acres. Although these statistics show a falling off in total acreage under cultivation in 1908, it is noteworthy that in Western Australia, South Australia, and Tasmania a marked increase was recorded. The shortage in New South Wales, Victoria, and Queensland was due to the prevalence of droughts over a considerable area of country. However, comparing 1908 with 1901 the total acreage under cultivation shows an increase of 542,589 acres, and this does not include the acreage under permanent artificially sown grass.

The distribution of crops in the Commonwealth is shown in the following statement:

Crop.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.
	<i>Acres.</i>	<i>Acres.</i>	<i>Acres.</i>	<i>Acres.</i>	<i>Acres.</i>	<i>Acres.</i>
Wheat.....	1,390,171	1,847,121	82,461	1,753,755	279,609	30,794
Oats.....	75,762	308,749	715	66,297	46,666	54,635
Barley:						
Malting.....	9,932	41,940	5,846	23,199	3,162	5,078
Other.....	1,958	21,134	1,097	14,122	2,857	774
Corn.....	160,980	10,844	127,119	549	87	.....
Beans and peas.....	237	13,613	.....	7,514	904	12,557
Rye.....	5,268	1,441	91	426	638	696
Potatoes.....	31,917	54,149	7,889	9,062	1,854	38,640
Onions.....	356	4,249	87	366	54	61
Other root crops.....	478	1,680	3,344	680	169	6,654
Hay.....	541,761	682,194	54,037	328,672	131,056	73,859
Green forage.....	261,810	59,897	91,444	15,434	4,773	6,367
Grass seed.....	.....	1,076	218	141	.....	3,106
Sugar cane.....	17,963	126,810	.....	.....	.....	.....
Vines.....	8,483	26,465	1,973	21,081	3,231	.....
Tobacco.....	533	345	459	.....	.....	.....
Orchards and gardens.....	46,714	54,111	14,397	20,736	15,046	19,441
Market gardens.....	10,052	9,022	2,365	2,961	3,543	1,791
All other crops.....	8,508	4,493	12,312	42	1,335	2,576
Total.....	2,572,873	3,359,333	406,864	2,265,017	494,987	257,028

WHEAT, CORN, AND BARLEY.

In New South Wales and Queensland the area under wheat was less in 1908 than in any other year since 1903. In Victoria it was lower than since 1902, but in South and Western Australia, which States escaped the drought, satisfactory increases in area are shown.

The average yield of wheat in bushels per acre in the several States in 1908 was as follows: New South Wales, 6.59; Victoria, 6.55; Queensland, 8.41; South Australia, 10.91; Western Australia, 10.46; and Tasmania, 20.92. The average yield for the Commonwealth was 8.29 bushels.

Oats come next in importance to wheat among the cereal crops cultivated in 1908, and while wheat accounted for more than 57.5 per cent of the acreage, oats represented less than 7 per cent. The acreage devoted to oats in 1908 was 642,824 acres, an increase of 60,972 acres over the previous year, but the yield amounting to 9,185,227 bushels was less by 4,426,760 bushels than in 1907. Victoria is the principal oat-growing State, producing last year about 70 per cent of the total. The average yield of oats throughout the Commonwealth was 14.29 bushels per acre, as compared with 23.39 bushels per acre in 1907.

Corn is grown extensively in two States only, New South Wales and Queensland. The area cultivated in these States in 1908 represented 96 per cent of the Commonwealth's total, namely, 288,099 out of 299,579 acres. The total yield in 1908 was 8,137,745 bushels.

Barley is grown principally in the State of Victoria, but it is not a very big item. The total acreage under cultivation in 1908 throughout the Commonwealth was 131,099 acres, of which 89,157 acres were devoted to the cultivation of malting barley. The total yield for 1908 was 1,991,652 bushels, or 256,780 bushels less than in the previous year.

BEANS, PEAS, POTATOES, HAY, SUGAR, ETC.

The total yield of beans and peas in 1908 was 597,251 bushels, an average of 17.15 bushels per acre. Rye yielded 100,072 bushels, or 11.69 bushels per acre.

Potatoes, grown chiefly in Victoria, Tasmania, and New South Wales, in 1908 yielded 375,586 tons. The 1907 yield was 507,153 tons. The 1908 crop was valued at approximately \$6,500,000. Turnips, onions, sweet potatoes, and mangolds are the other root crops of Australia, but the yield of each is small.

In 1908 more than 19 per cent, or 1,811,579 acres, was devoted to the production of hay. The yield for the Commonwealth in 1907 was 2,256,140 tons, and in 1908, 1,739,858 tons. The value of the 1908 crop was \$37,447,435.

Sugar cane is grown extensively in Queensland and in a less degree in New South Wales, these two States claiming the Commonwealth's total production. For the fiscal year ended June 30, 1907, the total yield of cane in the Commonwealth was 1,950,340 tons and for 1908 1,942,418 tons. The average yield per acre for 1907 was 17.96 tons and for 1908 18.62 tons. The amount paid by the Government in sugar bounties in 1908 was \$2,845,102.

The wine-growing industry of Australia does not progress as rapidly as most other agricultural enterprises. However, there are some 61,232 acres in grapes in the several States, and the production in 1908 was 4,450,033 gallons.

In its pastoral life Australia is thriving. Wool and butter are its two main articles of export, while horses, cattle, sheep, and pigs add no small share to its prosperity. Latest returns place the number of animals in the country as follows: Horses, 1,871,714; cattle, 10,180,214; sheep, 87,650,263; and pigs, 754,101.

PRODUCTION AND CONSUMPTION OF WOOL.

The total amount of the wool clip available for export during the year ended June 30, 1908, was 686,810,010 pounds, against 710,168,448 pounds for the previous season. The average value per bale of all the wool sold in Australia during the same period was \$63.22, as compared with \$69.98 for the previous year, a decrease of 8.36 per cent. The average weight of wool produced per sheep was 6 pounds 9 ounces, the average for the preceding year being 7 pounds 2 ounces. The average monetary return was \$1.22 per head of sheep and lambs, against \$1.42 for the previous season. The falling off of wool produced per head and the lesser monetary returns are attributable to the facts that a large proportion of the sheep had only 10 to 11 months' growth of wool on when they were shorn, the poor general condition of the last clip, and the average of values ruling lower than in 1906-7.

The quantity of lamb's wool dealt with in Australasia during the period under review was 70,080 bales, as compared with 105,873 bales the previous season. The proportion of scoured wool sold in Australasian markets was 9 per cent, as compared with 11 per cent during the previous year.

The consumption of wool in the United States is the subject of an article which appeared in Dalgaty's Annual Wool Review for Australasia for 1908-9, and from which the following statistics are taken:

The United States of America, with a wealthy population of nearly 90,000,000, is now the largest wool-consuming country in the world. It is claimed that the wages earned in North America are double those in Great Britain, two and a half times greater than those in France, and three times what they are in Germany. Fortunately for Australia, the heavy import duties levied upon wool, though enabling the United States flock masters to obtain more for their domestic clip than it is intrinsically worth, have not resulted in any material increase in the locally (American) grown wool, which in 1904 amounted to 291,783,032 pounds and in 1908 to 311,138,321 pounds.

Of the wool imported into the United States from the United Kingdom the major portion is grown in that country, for the American buyers have long ago made Australasia their direct source of supply for class 1 wools. For instance, during the year 1908 the total purchases of Australasian wool in London for the United States amounted to but 49,000 bales, whereas during that year they secured 110,000 bales in the Australasian markets. The imports of the United States from the River Plate during the same period amounted to 28,000 bales. The total imports of class 1 wools into the United States during the last five years were as follows, in pounds: 1904, 45,575,993; 1905, 109,888,258; 1906, 86,810,307; 1907, 82,982,116; 1908, 45,798,303.

It will be seen that during 1908 the United States took but little more than half the average quantity of class 1 wools that she had been accustomed to take during the four preceding years, on account of the financial crisis. This great nation finished the year 1908 in comparative prosperity, and is again enjoying a period of good trade.

All things considered, then, it is not surprising that before the past selling season in Australasia had progressed far the strong United States demand, which gave such a fillip to the auctions, asserted itself.

STEADILY GROWING DEMAND.

The past clip contained such a small proportion of superwool that the Americans were forced to operate with wools which in ordinary years they would have passed by. They were not able to secure anything like the quantity which they were in a position to buy, consequently the demand on United States account has continued unabated until the present time, as has been evinced by their purchases at the big Brisbane sale less than a month ago, and also by their operations at the last London series, when they took 23,000 bales as compared with 6,000 in 1908, 5,000 in 1907, and 9,000 in 1906. Figures are just to hand which disclose the fact that during the nine months ended March 31, 1909, the imports of class 1 wool into the United States amounted to 85,272,181 pounds as compared with 26,766,733 pounds for the corresponding period of the previous season. Notwithstanding these heavy imports, dealers and manufacturers were so keen to get hold of the domestic clip that they contracted for it on sheep backs months before it was ready to be shorn.

One of the brightest features of the position to-day, especially to Australasia, is the knowledge that trade in the United States is back to normal, with a prospect of further expansion. Wool is still badly wanted in that country, where over 1,200 woollen mills are busy, and most of them very large mills at that, and as Australasia is the recognized center of the American demand, and will have a splendid clip to put before buyers during the coming year, with from 75 to 80 per cent of the total Australasian clip available here, it seems improbable that the Americans will risk depending upon other markets for their supplies. They will buy here.

The production and exportation of butter in 1908 showed a marked falling off from that of the preceding year. The butter production in the several States was as follows, in pounds: New South Wales, 60,041,449; Victoria, 63,746,354; Queensland, 22,789,158; South Australia, 8,519,340; West Australia, 436,529; and Tasmania, 847,860; total, 156,380,690. In 1907 the total production was 159,870,662 pounds.

MINERAL PRODUCTION AND MINING.

Although Australia is primarily a pastoral and agricultural country, mining plays an important part in the wealth of the country. Furthermore, each year witnesses increased activity in mining operations, particularly in respect to the baser metals. Coal is mined on an enormous scale, and the exports of this commodity go far to swell the total of the country's trade. The value of the gold mined in

Australia in 1907 (the full returns for 1908 are not yet available) was \$65,771,308. In 1906 the total was \$5,434,109 more. Of the \$400,000,000 worth of gold produced in the world Australia furnished about 16.5 per cent.

While gold showed a decreased production, silver showed a marked increase—from \$17,635,768 to \$24,797,057. The chief centers of silver production are at Broken Hill, in New South Wales, and at Zeeham, in Tasmania. Recently Queensland has come into prominence as a silver-producing State.

Up to the close of 1907 the various mines at Broken Hill had produced silver to the value of \$250,000,000 and paid dividends amounting to over \$70,000,000, and this on an authorized capitalization of about \$20,000,000. There were 12,818 persons employed in silver mining during 1908, while the previous year showed only 11,504 so engaged.

The production of copper in Australia, as is the case in all copper countries, fluctuates with the prices ruling in the world markets, and these prices have of late been more than ordinarily unstable. However, despite unfavorable fluctuation during 1908, the production of the metal in Australia increased by \$819,634, the year's total production being valued at \$17,075,090. The copper-mining industry, according to latest statistics, provides employment in Australia for 16,194 persons, an increase of 3,000 over 1907.

Australia also produces tin. This industry gives employment to about 9,227 persons, whose labors effected a yield of \$7,301,158 in value during the last year.

IRON—COAL AND COKE—PRECIOUS STONES.

The iron industry of Australia is still in its infancy, although there are vast deposits of ore awaiting the commencement of activities. The year 1908 witnessed the adoption of an iron bounty act by the federal parliament, and at Lithgow, New South Wales, preliminary operations are now in progress to create a big industry in the near future. The erection of a commonwealth small-arms factory at Lithgow has been decided upon, and the federal government has decided to accept the tender of an American firm for the undertaking at approximately \$350,000. This firm is guaranteeing completion of the work in twelve months, but here it is interesting to note the remarks of the Australian minister for defense, Mr. Joseph Cook, on the subject of this factory. He said:

The expert engineer who was specially sent home to go into the whole matter was emphatic in his recommendation of the American machinery after paying a visit to America for the purpose of investigating the subject. In his report he says that many of the machines turned out by the American factory will turn out double the work of those he saw in Great Britain. As a matter of fact, the two British tenderers, so the expert declares, would have obtained tools from the American firm with which to supply us.

The iron industry of Australia promises to become increasingly important, although competition with imported iron and iron products will necessarily be very keen.

The latest complete statistics of the coal industry of Australia show a total annual production of 9,681,095 tons. To this total the several States contributed the following amounts, in tons: New South Wales, 8,657,924; Victoria, 138,635; Queensland, 683,272; West Australia, 142,373, and Tasmania, 58,891; total, 9,681,095.

This output was valued at \$16,052,453. During 1908 coal from Australia valued at \$2,396,590 was shipped to American territory, of which \$1,294,495 worth went to the United States, \$927,871 to the Philippine Islands, and \$174,224 to the Hawaiian Islands. The great bulk of Australia's coal production is confined to New South Wales, but the Queensland fields are becoming important. The number of persons employed in coal mining in the several States was 19,635.

The production of coke is rapidly increasing, the annual output now exceeding 250,000 tons. Numerous cargoes of this product have been dispatched in sailing vessels to San Francisco and smaller shipments were made to Manila.

Australia is also coming into prominence as a producer of precious stones, diamonds, sapphires, opals, and other gems finding a ready sale in the markets of the Northern Hemisphere. The latest full returns of the year's mineral production give a total value of \$137,728,501.

INDUSTRIAL PROGRESS.

Industrially considered the Commonwealth of Australia during 1908 made conspicuous progress. In many parts of the country new manufacturing plants were inaugurated, and although the majority of these were not very extensive either in output or in respect of the number of operatives employed the aggregate gain to the Commonwealth was substantial. In Australia it is possible to buy almost any of the ordinary requirements of daily life without having recourse to imported commodities. However, there is still a strong prejudice in some minds in favor of the better-known products of the mills and factories of older countries; but as far as actual necessity is concerned Australia is fairly independent and self-supporting.

During the year the most noteworthy event was the strike of the men in the silver mines at Broken Hill. For several months the principal mines were idle, and even at the time of writing (July 26, 1909) the difficulty remains unsettled. In fact, strikes are a very frequent incident of the industrial life of Australia, although nowhere, perhaps, have the workers more nearly their own principles to guide them than here.

Other serious labor troubles during the year were the strike of the wharf laborers in Sydney and the strike of the street-car motormen and conductors. These strikes were, fortunately, of short duration. The Broken Hill strike, however, was of much wider moment, being responsible for the laying up of a large fleet of coastwise steam colliers and the enforced idleness of thousands of operatives in the mines and elsewhere.

Of Australia's industrial position as contrasted with its condition in 1907 it must be conceded that during 1908 it showed progress. A number of new industries were inaugurated, among which was a great wool combing and spinning works at Botany, near Sydney. In fact, economic independence seems to be the aim and desire of Australia as a whole, and in small matters, as well as in great, effort is being made to give that desire the fullest realization.

The population of Australia in 1788 was 1,035, and in 1908, 4,275,306, of whom 2,252,027 were males and 2,023,279 females. The number of schools in the Commonwealth in 1907-8, was 7,566, with a net enrollment of 641,165 and an average attendance of 444,065.

The number of teachers employed was 16,313. The total expenditure on education during the year amounted to \$13,755,125.

COUNTRY IN NEED OF MORE PEOPLE.

Although Australia is fully alive to the urgency of the need for an increased population, the difficulties in the way that prevailed prior to 1908 were not removed during that year. The chief of these, it is claimed, was, and still is, an ineffective land policy. It is often very difficult for new-coming settlers to get suitable land. Nevertheless, each ship from the old country brings a number of immigrants, and these, when of the pastoral or agricultural laborer type, usually find employment at wages averaging \$5 per week and board. But in respect of a vigorous immigration policy Australia is still deficient. In fact, immigration continues to be viewed as a matter of individual state concern, and it is probable that the Federal Government will leave the matter in the hands of the States for some time to come. Of all the States, Queensland has made the most progress in immigration, and during 1908 concluded an agreement with a steamship line for a monthly service of steamers to Queensland ports by way of Torres Straits, the agreement providing for at least 350 immigrant or third-class passengers by every ship. New South Wales continues to spend large sums of money annually in assisting immigration, but the results so far achieved have not been entirely satisfactory. The attitude of the labor party, which is opposed to the introduction of skilled artisans, is held responsible in a great measure for Australia's backwardness in this respect.

MERCHANT MARINE AND SHIPPING.

The service of both cargo and passenger steamers maintained by the several Australian companies in the coastwise trade of the Commonwealth is a matter of amazement to persons who see the ships and who then recollect how few, comparatively, are the country's inhabitants. In 1908 several important additions to these interstate fleets were made, the new vessels being, without exception, of a type superior to others previously employed. The Australian United Steam Navigation Company (Limited), the Howard Smith Company (Limited), the Adelaide Steamship Company (Limited), Messrs. Huddart Parker Proprietary (Limited), and the Melbourne Steamship Company (Limited) are among the companies which added to their fleets during 1908. These lines are extensively engaged in the interstate trade and the sailings are frequent. In addition to these ships several new seagoing tugs, built in Great Britain, were added to the fleets during 1908. In sailing tonnage, however, there has been no noteworthy increase. The South Sea Island trade formerly carried in schooners of small size is now largely handled by steamers. During the year at least one new line of regular steamers entered the Australian trade. This was the Koninklijke Paketvaart Maatschappij (Royal Dutch Steam Packet Company), which maintains a monthly service between the Dutch East Indies and Australia. The ships of this line are specially fitted for the carrying of live stock and refrigerated cargo, also first and third class passengers. So far this company has met with encouraging success, and Australia's trade with the Dutch East Indies promises to increase substantially in the near future.

NEW SOUTH WALES.

By CONSUL-GENERAL JOHN P. BRAY, SYDNEY.

The year 1908 in New South Wales was marked by an increase in many branches of commerce and industry, or improved conditions, at all events, which, while not yet actually productive of general improvement, may safely be looked upon as the precursors of advancing prosperity.

First and foremost in a state's affairs comes the matter of finance. New South Wales is carrying the burden of a heavy public debt, amounting to \$425,920,016. The value of the securities, \$531,105,660, has been calculated by taking the actual average net return of the business undertakings for the three years ended June 30, 1908, and capitalizing at $3\frac{1}{2}$ per cent. The value of the public lands, \$107,143,560, has been estimated on the basis only of the annual revenue received and the amount still outstanding on land alienated (conditional purchases). There are 18,000,000 acres still unalienated which have not been taken into account. There is, therefore, little doubt that the value is greatly underestimated, but no valuation has been made by the lands department. The actual amount of the sinking fund, \$1,083,780, and cash in hand, \$13,481,640, on June 30, 1908, has been included.

The value of the securities exceeds the debt by approximately \$100,000,000. In valuing the securities account has not been taken of works not directly producing revenue, such as roads, bridges, and harbor and other works.

LABOR AND INDUSTRY.

Since 1904 the number of establishments concerned in the prosecution of what are known as the secondary industries—sheep farming, dairying, etc., constituting the primary industries—has increased by 820, or about $22\frac{1}{4}$ per cent. In 1908 the average number of employees was 89,098, of whom 67,617 were males and 21,481 females. The general increase in the four years was 21,062, or 14,160 males and 6,902 females. The wages paid during 1908 amounted to \$35,076,345, which is equal to \$393.66 per capita. In 1904 the total wages were \$24,362,004, or \$359.42 per capita. The amounts drawn by working proprietors are not included under the head of wages, so the averages shown are really below the actual earnings of employees. It is noteworthy, too, that despite the greater number of females employed the average wage shows an increase. Speaking generally, the increase in wages has tended to decrease the margin for profit and miscellaneous expenses. The increase in wages during the period 1904–1908 was \$2,753,870, while the total output of 1908 showed an increase in value of only \$482,666 over that of 1907.

The following table shows in detail the progress of the manufacturing and kindred industries of the State for the years 1904, 1907, and 1908:

	1904.	1907.	1908.
Number of establishments.....	3, 632	4, 432	4, 453
Average number of hands employed:			
Males.....	58, 457	65, 963	67, 617
Females.....	14, 579	20, 514	21, 481
Land, buildings, etc., occupied by owners..... value.	\$24, 152, 732	\$32, 812, 402	\$32, 067, 077
Plant and machinery..... do.	37, 173, 699	44, 497, 052	46, 577, 473
Fuel consumed..... do.	2, 591, 857	4, 100, 314	4, 280, 106
Materials used..... do.	80, 152, 296	124, 092, 572	123, 772, 410
Output..... do.	131, 993, 858	194, 464, 143	194, 971, 609
Wages paid, excluding amounts drawn by working proprietors.	24, 362, 004	32, 322, 475	35, 076, 245
Rent paid for land and buildings not the property of occupant. .	929, 533	837, 359	1, 194, 374

• Figures for 1901.

AGRICULTURAL AND PASTORAL STATISTICS—MINERALS.

The total area under crops in the fiscal year ended March 31, 1909, was 2,716,871 acres. There were 1,394,056 acres sown in wheat, yielding 15,483,406 bushels, an average of 11.1 bushels per acre. The production of oats was 1,118,343 bushels and of hay 730,477 tons.

The number of live stock in the State in 1907 was 47,791,358, of which 44,461,839 were sheep, while in 1908 the total was 46,870,868, the sheep numbering 43,329,384. The total number of lambs in 1907 was 10,109,686 and in 1908, 8,524,502. The number of sheep slaughtered, killed by dogs, etc., and exported during 1907 was 11,350,035 and in 1908, 11,196,438.

The quantity of butter, cheese, and bacon and hams produced in the State during 1907 was 60,041,449, 4,586,857, and 10,358,526 pounds, respectively, while in 1908 the quantity was 61,600,000, 4,800,000, and 9,141,022 pounds. The amount of honey produced in 1907 was 2,660,363 pounds and in 1908, 3,064,366 pounds.

In the following table is shown the quantity of the principal minerals produced in the State during 1907 and 1908:

Class.	1907.	1908.	Class.	1907.	1908.
Aluminite..... tons..	2, 068	1, 082	Lead, pig, etc..... tons..	19, 768	14, 936
Antimony and ore..... do.....	1, 752	117	Platinum..... ounces..	276	125
Coal..... do.....	8, 657, 924	9, 147, 025	Silver..... do.....	2, 043, 887	2, 490, 163
Copper ingots and ore..... do.....	10, 098	9, 071	Silver-lead and ore..... tons..	434, 079	358, 730
Diamonds..... carats..	2, 539	2, 205	Tin..... do.....	1, 914	1, 795
Gold..... ounces..	247, 363	224, 792	Zinc, etc..... do.....	237, 219	276, 730
Iron..... tons..	18, 631	30, 393			

IMPORTS INTO THE STATE.

The over-sea imports into New South Wales for 1908 were valued at \$96,305,205. The countries of origin were as follows:

Country.	Value.	Country.	Value.
United States.....	\$13,298,807	Java.....	\$860,847
Austria-Hungary.....	563,653	Natal.....	121,052
Belgium.....	1,102,394	Netherlands.....	529,789
Burma.....	188,724	New Caledonia.....	141,076
Canada.....	851,064	New Hebrides.....	149,950
Cape Colony.....	382,040	New Zealand.....	6,295,406
Ceylon.....	1,719,127	Norway.....	565,992
China.....	678,198	South Sea Islands.....	568,542
Cuba.....	210,433	Spain.....	196,108
Fiji Islands.....	891,416	Straits Settlements.....	361,968
France.....	3,385,612	Sweden.....	503,399
Germany.....	7,564,128	Switzerland.....	1,442,229
Greece.....	116,032	United Kingdom.....	47,839,478
India (British).....	2,480,943	All other countries.....	1,443,845
Italy.....	640,767		
Japan.....	1,212,517	Total.....	96,305,205

The value of the receipts from the other Australian States was \$85,760,536, of which \$9,239,934 represented foreign produce.

TRADE WITH THE UNITED STATES.

The direct imports into New South Wales from the United States, not including interstate transfers, during 1908 were valued at \$11,267,575. The leading items were as follows:

Articles.	Value.	Articles.	Value.
Arms, ammunition, etc.....	\$102,955	Iron and steel, manufactures of—Con.	
Bags, etc.....	11,144	Pipes and tubes.....	\$69,682
Blacking.....	19,673	Plates and sheets.....	55,062
Books.....	70,985	Rails, etc.....	195,984
Breadstuffs:		Saws.....	8,636
Barley.....	39,988	Stoves, oil and gas.....	5,633
Oats.....	6,546	Tools.....	400,688
Canvas and duck.....	19,022	Wire, all kinds.....	454,188
Clocks and watches.....	63,185	Lamps, etc.....	49,849
Confectionery.....	23,882	Leather, and manufactures of:	
Drugs, dyes, and medicines.....	222,535	Boots and shoes.....	50,082
Electrical apparatus, etc.....	217,385	Leather.....	57,649
Fancy goods.....	26,540	Other.....	14,206
Fish.....	405,132	Metals, manufactures of:	195,830
Fruits and vegetables.....	62,300	Oils:	
Glass and glassware.....	51,476	Benzine, etc.....	62,76
Greases.....	14,327	Cotton-seed.....	9,166
Gums, resins, etc.....	123,206	Kerosene.....	515,585
Hats and caps.....	11,372	Lubricating.....	145,115
Hops.....	12,169	Other.....	57,329
Instruments:		Packing.....	22,385
Musical.....	44,839	Paints, etc.....	77,527
Scientific, etc.....	83,121	Paper, and manufactures of.....	616,428
Iron and steel, manufactures of:		Paraffin.....	46,423
Bars, rods, etc.....	35,167	Perfumery.....	21,092
Cutlery.....	19,484	Piece goods:	
Girders, etc.....	52,162	Cotton, linen, etc.....	95,878
Hoops.....	16,383	Woolen.....	14,556
Machines and machinery and parts—		Plants, trees, etc.....	33,732
Machines—		Provisions:	
Adding, etc.....	44,984	Lard, etc.....	12,276
Agricultural.....	333,609	Meats.....	24,602
Engines—		Sausage casings.....	68,871
Gas and oil.....	102,585	Rubber, and manufactures of.....	88,726
Portable, etc.....	57,095	Soap.....	33,116
Other.....	15,100	Tobacco, and manufactures of.....	1,116,093
Sewing.....	70,591	Vehicles and parts.....	270,241
Talking.....	313,951	Wood, manufactures of:	
Typewriters.....	150,033	Furniture.....	111,585
Machinery—		Handles, ax, etc.....	69,123
Mining.....	24,310	Timber.....	1,249,165
Printing.....	88,102	Other.....	236,666
Other.....	338,631	All other articles.....	1,295,726
Nails, all kinds.....	22,726	Total.....	11,267,575

The imports from the Philippines during the year amounted in value to \$147,763. The principal articles were: Cigars, worth \$74,042; flax and hemp, \$70,969; and hats and bonnets, \$831. The imports from Hawaii, valued at \$14,555, consisted chiefly of gold specie, worth \$14,070.

CLASSIFICATION OF EXPORTS.

The exports to the United States during 1908 were valued at \$4,866,444. The value of the articles was as follows:

Articles.	Value.	Articles.	Value.
Ammonium sulphate.....	\$29, 739	Timber.....	\$17, 617
Coal.....	496, 738	Tin.....	92, 040
Coke.....	78, 589	Wool.....	1, 470, 924
Copper matte.....	391, 169	All other articles.....	128, 317
Glue stock.....	16, 269		
Lead matte.....	10, 998	Total.....	3, 403, 093
Oil, cocconut.....	28, 556	Specie, gold and silver.....	1, 463, 351
Onions.....	10, 906		
Seeds.....	8, 093	Grand total.....	4, 866, 444
Skins and hides.....	623, 138		

The shipments to the Philippines for the year were valued at \$1,443,040, the principal items being: Coal, worth \$929,010; flour, \$216,063; timber, \$59,162; butter, \$53,025; horses, \$15,713; beef, \$13,358; mutton and lamb, \$30,109, and pork, \$39,313. The exports to Hawaii were valued at \$371,547, and consisted of the following leading articles: Sulphate of ammonia, worth \$161,489; coal, \$174,124, and mutton and lamb, \$14,226.

NEWCASTLE.

By CONSUL GEORGE B. KILLMASTER.

The population of Newcastle in 1901 was 46,017. The estimated population in 1908 was 52,500, and if the suburbs are included, 62,000. The territory for which Newcastle is the distributing center contains a population of approximately 200,000. The number of births in this district during 1908 was 2,233, a decrease of 79 from the preceding year. The city has 25 miles of well-paved streets and will soon have a complete system of sewerage. The area of the municipality is 1,060 acres; the rent value of ratable property is \$862,933; and the estimated total value of all ratable property is \$14,782,315. The length of tramways opened for traffic is 17 miles. Steam is the motive power, but electricity is proposed in the near future. The revenue derived from the tramways for the fiscal year ended June 30, 1908, was \$256,898, and the expenditures were \$189,808. The revenue collected at the Newcastle custom-house during 1908 was \$967,664, a decrease of \$26,345 from the previous year.

FOREIGN AND INTERSTATE TRADE.

The total foreign and interstate trade of Newcastle in 1908 amounted to \$23,694,725, of which the imports were valued at \$7,730,522 and the exports \$15,964,203. The principal articles of

import were: Ores, worth \$1,588,669; apparel, etc., \$890,102; hay and chaff, \$287,848; galvanized iron, \$281,108; sugar, \$235,990; timber, \$225,012; machinery, \$191,638; and kerosene, \$150,223. The leading items of export during the year were as follows:

Articles.	Quantity.	Articles.	Quantity.
Bullion:		Provisions:	
Gold.....ounces.....	14,460	Meats—	
Lead.....tons.....	68,340	Frozen.....hundredweight..	60,677
Silver.....ounces.....	367,471	Preserved.....pounds.....	1,440
Coal.....tons.....	4,973,200	Tallow.....hundredweight..	11,922
Coke.....do.....	6,630	Railway sleepers.....number..	98,467
Copper.....hundredweight..	26,039	Timber.....feet.....	3,797,529
Glycerin.....pounds.....	150,287	Wool.....bales.....	26,255

The quantity of coal exported to foreign countries and shipped to other Australian States in 1908 was 4,973,200 tons, valued at \$11,611,873. The countries of destination and the quantity taken, in tons, were as follows:

Country.	Tons.	Country.	Tons.
United States.....	207,719	New Zealand.....	415,807
Canada.....	10,118	Peru.....	75,639
Cape Colony.....	2,880	Philippine Islands.....	399,266
Chile.....	780,913	Queensland.....	76,529
China.....	11,151	Sandwich Islands.....	80,254
Ecuador.....	37,717	South Australia.....	662,868
Fiji Islands.....	74,047	Straits Settlements.....	240,338
Germany.....	3,309	Tasmania.....	133,666
Gilbert Islands.....	20,862	United Kingdom.....	19,987
Guam.....	6,408	Victoria.....	1,115,774
Hongkong.....	85,077	Western Australia.....	122,263
India.....	178,312	All other countries.....	39,287
Java.....	113,774		
Mexico.....	45,824	Total.....	4,973,200
New Caledonia.....	13,411		

TRADE WITH THE UNITED STATES.

The imports into Newcastle from the United States during 1908 were valued at \$489,424, an increase of \$171,447 over 1907. The articles in 1908 were as follows:

Articles.	Value.	Articles.	Value.
Arms and ammunition.....	\$6,638	Paints and colors.....	\$4,297
Bags, paper.....	3,416	Paper, printing.....	16,351
Boots and shoes, leather.....	1,095	Paraffin.....	17,758
Canvas and duck.....	2,365	Piece goods, cotton.....	2,375
Fish.....	61,508	Rubber boots.....	2,492
Glassware.....	1,796	Soap.....	3,728
Iron and steel, manufactures of:		Turpentine.....	3,893
Galvanized.....	1,246	Wood, manufactures of:	
Machinery.....	11,057	Furniture.....	1,869
Tools, all kinds.....	30,678	Handles.....	3,971
Wire.....	2,584	Timber.....	63,704
Other.....	1,289	Other.....	7,740
Lamps, etc.....	2,628	All other articles.....	39,722
Meats, salted.....	19,987		
Oils:		Total.....	489,424
Benzine.....	2,005		
Kerosene.....	150,214		
Other.....	2,996		

The value of the imports from the Philippines in 1908 was \$6,614, cigars valued at \$6,575 being the chief item.

The declared exports from Newcastle to the United States during 1908 were valued at \$1,526,188, a decrease of \$569,376 from the previous year. The articles are shown in the following comparative table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals, live.....		\$12,455	Lumber.....	\$48,190	\$24,588
Coal.....	\$2,030,868	1,482,086	All other articles.....	7,138	1,144
Coke.....	9,368	5,326			
Graphite.....		584	Total.....	2,065,564	1,526,188

The exports to the Philippines in 1908 were valued at \$897,095, consisting of the following principal articles: Coal, \$851,939; railway sleepers, \$26,440, and horses, \$11,996. The exports to Hawaii during the year amounted to \$174,552. The articles were coal, valued at \$174,357, and bags, baskets, etc., \$195.

The number of vessels, exclusive of coasters, entered at the port of Newcastle during 1908 was 1,900 of 3,429,352 tons, and the number cleared was 1,943 of 3,499,641 tons.

QUEENSLAND.

By CONSULAR AGENT D. J. BROWNHILL, TOWNSVILLE.

There has been a steady advance in trade at Townsville, the chief port of north Queensland. In 1908 the total foreign trade was valued at \$15,937,445, of which the imports amounted to \$4,830,370 and the exports to \$11,107,075. The principal articles imported were: Ale and spirits, valued at \$297,370; oil, \$96,740; flour, \$277,785; fruits and vegetables, \$155,630; piece goods, \$338,415; iron and steel, \$190,790; machinery, \$227,760; and manufactured metals, \$233,325. The principal exports consisted of the following articles: Gold, \$3,667,335; copper, \$634,930; meat, \$1,153,270; sugar, \$655,900; and wool, \$3,643,690.

The harbor board collected revenue amounting to \$175,930 during 1908. The board is still engaged in dredging the harbor, which is now at a depth of 26 feet at the jetty wharves and 19 feet at the approach of the channel at the bay. During the next few months coasting vessels of 3,000 to 4,000 tons will be able to pass into the inner harbor, where every convenience has been provided for shippers and the traveling public.

A Dutch line of steamers has been established between Batavia and Melbourne, touching at the principal ports, which is receiving substantial support. The Queensland government has subsidized the British India Steamship Company (Limited), to the extent of \$180,000, and vessels are running monthly, Brisbane being the terminal port.

QUEENSLAND STOCK RETURNS.

Regarding the number of live stock in Queensland, Consul George B. Killmaster, of Newcastle, New South Wales, supplies the following, which was taken from a report issued by the Queensland government statistician:

At the close of 1908 there were in the State 18,348,851 sheep, 4,321,600 cattle, 519,969 horses, and 124,749 pigs. This was an increase in sheep of 1,610,804; cattle, 429,368; and horses, 31,483; but a decrease in pigs of 8,497 as compared with 1907. The percentage of increase of sheep was lower than in any other year since 1902. In 1904 the increase was 29.21 per cent; 1906, 18.76 per cent; 1907, 12.44 per cent; and 1908, 9.62 per cent. At the present rate of increase it will take two or three years to reach the record of 1892, when there were about 22,000,000 sheep in the State. The increase of cattle was more satisfactory, being 11.3 per cent, and is equal to the average for the five years, in which there has been a recovery from the decimation of the herds by drought; but there are 2,500,801 less cattle than in 1895, when the highest number, 6,822,401, was reached.

The question of the profitable disposing of the sheep and cattle must awaken some concern as the stock continues to increase. The meat works do not now absorb the overplus as in former years, and it may be difficult to revive the meat industries, as Argentina stock owners have so largely taken possession of the English and South African markets, though with the lowering of prices these industries may flourish again and fresh markets for meat in the East and elsewhere be secured. As the price of wool continues satisfactory, there may not be any pressing need at present to force large sales of sheep; but the perplexities of the situation will naturally increase, and outlets have to be sought, either by supplying the grazing lands of neighboring States or in the meat markets. Already the drop in the price of sheep suggests the necessity for this. With respect to cattle the outlook seems also to demand close consideration. There may come a sudden and heavy lowering of values in the local markets and outside openings will have to be found.

CHANGE IN METHOD OF SHIPPING MEATS.

The question of substituting the chilling for the freezing process in the export meat trade must be faced. Argentina is able to send chilled meat to England and South Africa in large quantities. As a result of many experiments meat has been landed in London in splendid condition after having been in the chilling chambers for fifty-three days. Modern methods may have to be adopted and new freight arrangements made to meet the requirements of the future. The Queensland government has promised to make inquiries as to what can be done. The increase of 6.45 per cent in the number of horses may be regarded as satisfactory, especially as so much of the horse breeding was carried on in a somewhat irregular manner. The breed, however, is improving, and the prices have been good for animals that reached a fair standard. More state supervision, it is suggested, and the exportation of fewer mares might be an advantage to this kind of stock.

There is still the usual complaint that the Queensland farmers will not enter with any zest into pig raising. Associated with dairy farming, it would doubtless be a source of much profit, and there is always an open market for this product. Fewer pigs were raised in 1908 than in 1907, which showed a decrease of 3.64 per cent from 1906, or 60,392 less than in 1904, when the number reached 185,141. The total amount of wool exported in 1908 is stated at 90,483,554 pounds, valued at \$20,147,106, an increase over the previous year of 8,902,938 pounds and in value \$33,228.

EXPORTS FROM BRISBANE TO THE UNITED STATES.

The value of the declared exports from Brisbane to the United States, as furnished by Consular Agent Asbury Caldwell, for 1908 was \$2,226,600. The articles were:

Articles.	Value.	Articles.	Value.
Ammonia, sulphate of.....	\$3, 575	Provisions—Continued.	
Animals, live.....	23, 335	Mutton, etc.....	\$5, 977
Coal.....	1, 973	Wool.....	208, 689
Copper.....	855, 126	All other articles.....	2, 612
Fodder.....	3, 113	Total.....	1, 631, 997
Gems.....	2, 179	Gold.....	594, 603
Provisions:		Grand total.....	2, 226, 600
Beef, etc.....	392, 216		
Dairy products.....	68, 620		
Meats, etc.....	64, 572		

VICTORIA.

By CONSUL JOHN J. JEWELL, MELBOURNE.

The total trade of the State of Victoria in 1908, foreign and inter-state, amounted in value to \$264,843,612, of which the imports were valued at \$132,349,130 and the exports at \$132,494,482. Excluding trade with other Australian States, the imports reached \$79,973,053 in value and the exports \$73,945,290. These figures, compared with those of the previous year, show a decrease of \$3,249,070 in imports and of \$9,331,708 in exports. The principal over-sea imports into and exports from Victoria during 1908 were as follows:

Articles.	Value.	Articles.	Value.
IMPORTS.		EXPORTS.	
Apparel and dry goods	\$19,709,135	Animals, live	\$490,100
Cocoa and chocolate	420,149	Apparel, etc.	273,541
Confectionery	199,342	Breadstuffs:	
Cordage and twine	1,037,499	Biscuits	47,053
Drugs and chemicals	1,262,433	Flour	2,246,065
Earthen and china ware	521,840	Oats	34,863
Fertilizers	1,007,667	Wheat	2,855,750
Hats and caps	1,257,644	Fertilizers	120,546
India rubber, manufactures of	1,257,620	Fruits	273,965
Instruments, musical	565,103	India rubber, manufactures of	213,863
Iron and steel, and manufactures of:		Jams and jellies	70,662
Iron and steel	3,432,148	Leather, and manufactures of:	
Machinery, etc	3,448,125	Boots and shoes	61,751
Jute goods	1,705,124	Leather	1,003,365
Leather, and manufactures of:		Machinery, etc	636,490
Boots and shoes	239,258	Provisions:	
Leather	845,579	Butter	5,047,617
Lumber	3,386,456	Mutton and lamb	1,955,763
Metal goods	4,506,842	Rabbits and hares	412,850
Oil	1,847,557	Tallow	660,378
Paints, colors, etc	595,470	Other	199,770
Paper	2,337,983	Skins and hides	4,064,522
Rice	481,088	Soap	75,878
Spirits and malt liquors:		Sugar	24,707
Ale and beer	619,455	Tea	109,113
Spirits	1,227,054	Tobacco	304,313
Tea	1,754,110	Wine	239,222
Tobacco	1,157,073	Wool	29,245,562
Vehicles	1,360,742	All other articles	6,609,094
All other articles	12,993,578		
Total	78,291,074	Total	57,266,802
Gold, bullion and specie	1,681,979	Gold, bullion and specie	16,678,488
Grand total	79,973,053	Grand total	73,945,290

In comparison with 1908, there were decreases in the imports of ale and beer, apparel and dry goods, boots and shoes, cocoa and chocolate, earthen and china ware, gold bullion and specie, hats and caps, machinery, etc., musical instruments, iron and steel, etc. Increases were made in confectionery, cordage and twine, drugs and chemicals, rice, rubber goods, leather, fertilizers, oil, paper, spirits, lumber, and vehicles.

Owing to droughty conditions prevailing in some districts of the State during the earlier part of the year the exports of farming, pastoral, and dairying products were more or less affected. Animals showed a decrease of \$375,956; butter, \$2,468,328; fruits, \$276,330; oats, wheat, and flour, \$6,279,109; meats, \$698,693; skins and hides and tallow, \$1,202,619; and wool, \$5,003,482. The principal increase was shown in gold, it amounting to nearly \$10,000,000 more than in 1907.

EXPORTS TO THE UNITED STATES.

The total exports to the United States in 1908 amounted in value to \$4,405,804, an increase of \$225,844 over those of the previous year. Wool increased \$248,505 and rabbit skins \$74,708, while decreased shipments were shown in ammonia, onions, potatoes, sausage casings, calf and sheep skins. The shipments to the United States were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Ammonia.....	\$26,279	\$3,285	All other articles.....	\$50,833	\$1,749
Arsenic.....		5,318			
Hair, animal.....	739	1,367	Total.....	4,164,457	4,378,579
Oil, eucalyptus.....	5,218	7,463	Returned American goods.....	15,503	27,225
Skins.....	196,130	245,634			
Wool.....	3,885,258	4,113,763	Grand total.....	4,179,960	4,405,804

The exports to the Philippine Islands during 1908 were valued at \$581,486, the principal articles being as follows: Flour, \$228,338; butter, \$133,789; fodder, \$88,996; stoneware, \$54,532; meat, \$46,089; and onions, \$14,350.

TASMANIA.

By CONSUL HENRY D. BAKER, HOBART.

The general condition of trade in Tasmania in 1908 was not so prosperous as in 1907. This falling off was due to lower prices ruling for ores and minerals, a serious decline in the wool market, poorer prices obtained for the large quantities of fruit sent to Europe, lower prices of timber, labor troubles in connection with the mining and timber industries, and an unprecedented drought during the greater part of the year, which occasioned great losses through the central, southern, and eastern portions of the island. There was a lower rainfall at Hobart than for any other year of which there is any record. It was only 16.83 inches, against 25.90 inches in the preceding year, and an average of 23.35 inches.

The total over-sea trade of Tasmania in 1908 was valued at \$6,671,551, of which the imports amounted to \$4,075,644 and the exports \$2,595,907. The receipts from the other Australian States were valued at \$12,323,502.

The value of the direct imports from the United States increased from \$291,533 in 1907 to \$368,033 in 1908. Such a gain seems satisfactory in view of the increased duties under the new Australian tariff, the preferential tariff favoring the United Kingdom, and the diminished prosperity of the island in 1908, owing to drought and the low prices for mineral products. Could indirect imports have figured in these returns the indications would have been still more satisfactory. For instance, the returns for traction and portable engines show a value of only \$1,717. I am aware, however, of the fact that at least 12 traction engines, with an average value of \$2,500, and about 6 portable engines, with an average value of about \$750, all of American manufacture, were imported into Tasmania in 1908 through agents in Melbourne and Sydney.

IMPORTS SHOWING GREATEST INCREASES.

The articles that show the best gains in the returns are electrical materials, glassware, reapers, binders and mowers, musical instruments, cream separators, machinery and tools, medicines, manufactured metals, wire, paints, paper, piece goods, tobacco, vehicles, manufactures of wood, and ax handles. In most instances there are good reasons to account for such gains in imports, and there seems a prospect of still further gains in the future.

The tramway system soon to be installed in Launceston, together with other increased uses of electrical material such as may come from development of the island's waterpower resources, should further stimulate imports of electrical material from the United States.

In stamped glassware the agents' profits on imports from the United States are very large, and such articles as fruit dishes, butter and cheese dishes, and dishes for cakes and confectionery, are in considerable local demand. American manufacturers would be able to increase this trade by more careful packing, which would lessen the present large loss from breakage.

In reapers, binders, and mowers, traction engines, and in many other kinds of machinery and tools, American manufacturers have established a reputation which ought to enable them to profitably increase their business in the future. In the sale of these goods they have one important advantage that enables them to extend their trade, notwithstanding the high protection which local manufacturers enjoy under the new Australian tariff. Their working capital is usually so large that they can afford to be more liberal than Australian manufacturers in selling goods on time payments to customers of good credit, at a rate of interest which is usually 5 per cent. There are certain classes of machinery the market for which might be extended if American manufacturers would give closer study to local conditions.

DRUGS AND MEDICINES, METAL GOODS, PAINTS, ETC.

In the sale of medicines American manufacturers have met with much success, as the reward of enterprising business methods and fair attention to quality in articles exported. Certain kinds of patent medicines formerly imported in large amounts are now under the ban of the commerce act of Australia; but those kinds which comply with the strict regulations of the act seem to meet with increasing sale. American manufacturers of drugs and medicines who desire to increase their business here ought to pay particular attention to the regulations under the commerce act of 1905.

In manufactured metals, including especially cooking utensils and particularly those made from aluminum, the popularity of American wares is undoubtedly increasing. The use of wire instead of wood for fencing purposes is increasing greatly here, but most of the wire imported from the United States is barbed wire. The use of wire netting for protection against rabbits is enormous. Under the new Australian tariff wire netting is admitted free of duty, yet no wire netting appears to be supplied by American manufacturers.

The use of American paints, especially red ochre, for corrugated iron roofing, seems to be increasing, this being largely due to American manufacturers sending out to Australia a very good type of traveling men.

Most of the newspaper publications in Tasmania depend on the United States for their paper supply, and the fact that a new daily newspaper was established in Hobart during the year (the Daily Post) probably accounts for the large increase in paper imports.

In certain articles, such as corsets and cotton goods, American manufacturers have lately been effectively asserting themselves in the local market. In axes and ax handles and all sorts of garden tools, the good name won by American manufacturers years ago is bearing increasing fruit. The American ax is perhaps the most famous article imported from the United States. As Tasmania is preeminently a woodman's country, this fact is especially interesting. Tasmania is noted for its wood-chopping contests, at which American axes and ax handles are always used, and the world's record for rapid wood chopping is held in Tasmania, with the American ax, by Philip O'Rourke, of Fort Cygnet, who chopped through a 20-inch lying log in 1 minute and 31½ seconds.

AMERICAN BOOTS AND BOOTMAKING MACHINERY.

The higher Australian tariff is probably the chief reason for declines in some items. For instance, in boots, those invoiced up to \$1.25 per pair now seem unable to compete with the cheap Australian product; those invoiced up to \$2 per pair seem to be having an even race with the colonial product, while those invoiced at \$3 per pair, or higher, still command the market. Bootmaking, as an industry, is making headway in Australia, its success being due chiefly to imports of American bootmaking machinery. At one boot factory in Launceston the output is 3,000 pairs per week. At a recent exhibition in Launceston this concern made a very imposing display of its use of American machinery for rapid manufacture of a good quality of boot.

The people of Tasmania seem to have a good appreciation of American inventive skill and of the finish of American goods, and if more American traveling men would visit this island the people could be shown a great many ways in which economies could be instituted in their industries by the use of improved American machinery, and they might be educated up to many comforts and luxuries of which they now know little or nothing. There is no prejudice against America, whatever, in regard to imports from the United States, except that certain American low-priced products are often unfairly compared with English high-priced products. But it needs only a little demonstration in most cases to prove to the satisfaction of buyers that, when difference in price is considered, the American articles are usually equal or superior to those imported from elsewhere.

DIRECT IMPORTS FROM THE UNITED STATES.

The imports, by articles, into Tasmania directly from the United States during 1907 and 1908, respectively, are shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Agricultural implements.....	\$31,516	\$33,028	Iron and steel, manufactures of—Continued.		
Apparel.....	4,896	3,051	Wire.....	\$4,511	\$15,241
Arms and ammunition.....	6,189	3,197	Other.....	4,948	642
Books.....	847	1,094	Lamp ware.....	1,971	1,333
Boots.....	2,910	1,172	Leather, and manufactures of..	1,762	1,172
Clocks and watches.....	6,128	5,352	Medicines.....	3,591	4,584
Cream separators.....	2,511	5,946	Metal goods.....	13,059	16,463
Electrical material.....	1,489	4,574	Paints.....	6,156	8,257
Fancy goods.....	2,355	2,121	Paper, and manufactures of....	14,113	23,354
Fish, preserved.....	7,558	6,253	Soap.....	3,265	1,425
Glassware.....	472	2,428	Tobacco.....	25,584	31,422
Instruments, musical.....	1,781	2,107	Vehicles and parts.....	3,835	9,990
Iron and steel, manufactures of:			Wood, manufactures of:		
Cutlery.....	788	583	Furniture.....	7,850	5,893
Engines.....	11,067	1,717	Handles, ax.....	4,774	6,375
Machinery and boilers.....	16,240	37,729	Timber.....	31,390	3,776
Nails.....	3,718	3,255	Other.....	3,338	6,053
Sewing machines.....	4,861	3,046	All other articles.....	38,342	56,770
Tools.....	17,145	57,901			
Typewriters.....	583	729	Total.....	291,533	368,033

The declared value of exports from the Hobart consular district to the United States for 1908 was \$3,391, against \$23,950 in the previous year. The decrease was due to the financial crisis in the United States which prevented the purchase of Tasmanian wool.

VALUE OF THE MINERAL PRODUCTS.

The total value of the mineral products of Tasmania for 1908 was only \$8,017,893, against \$11,081,793 for the previous year. The decrease was due to the low prices for metals and also to the scarcity of water for sluicing, owing to the prolonged drought. Throughout the year not a single gold mine paid a dividend. All the leading mining companies show a diminution in their earnings with the exception of several companies engaged in the mining of coal, which is the only mineral product whose value showed any increase over that of 1907.

In the silver-lead mining district in western Tasmania there was considerable embarrassment during the year on account of the closing of the smelter at Zeehan, owing to lack of profit in successfully treating complex ores, with low prices ruling for the products extracted. Owing to the distress occasioned by the closing of the smelter, the Government loaned the company money with which to resume operations. Several new companies have recently been organized for the purpose of treating the complex ores of this district. One has a patented process for the treatment of complex ores containing zinc, the object being the production of zinc oxide and the recovery of the silver, lead, and gold values of the ore as a lead bullion and of copper as a precipitate. Another company has obtained a concession from the parliament of Tasmania for a twelve-months' reservation of lands near the headwaters of the Derwent River, containing valuable water-power rights, where it is proposed, if found entirely feasible after surveys and other expert investigation, to produce

electric power for cheap operation of works where complex ores can be treated. The following table shows the quantity of mineral products of Tasmania for 1908, as compared with the previous year:

Mineral.	1907.		1908.	
	Quantity.	Value.	Quantity.	Value.
Gold ^a.....ounces..	65,354,252	\$1,350,974	57,085,124	\$1,180,039
Silver-lead ore.....tons..	89,762.50	2,786,363	61,046.86	1,555,085
Blister copper ^b.....do....	8,247	4,052,291	8,833	2,934,806
Copper and copper ore.....do....	788.25	179,929	1,185.15	32,060
Tin ore.....do....	4,342.75	2,441,431	4,520.80	2,051,619
Iron ore.....do....	3,000	5,596	3,600	7,786
Coal.....do....	58,891	243,592	61,067.75	252,605
Wolfram.....do....	40.75	21,466	4.58	1,645
Bismuth.....do....	.175	131	3.75	2,248
Total.....		11,081,793		8,017,893

^a Fine gold, including gold contained in blister copper and silver-lead bullion.

^b Value of gold contents deducted.

On December 31, 1908, there were 6,034 white miners employed in Tasmania, as compared with 7,031 on the same date a year ago, and 114 Chinese miners, as compared with 131 on the same date in 1907.

EXPORTS OF FRUIT—VITAL STATISTICS—SHIPPING.

During the past season 24 steamers called at Hobart for apple and pear shipments for the United Kingdom and Germany, and the regular steamers also took shipments to South America. The total quantity shipped was 487,667 cases, against 524,316 cases during the previous year. The rather poor showing of the apple growers in their exports to Europe was largely due to competition with American cold-storage fruit arriving at the same time.

The production of wheat shows some falling off, the farmers finding it more profitable to raise fodder for stock. There is a tendency toward increase of acreage in oats, barley, and hay.

During 1908 the births within the State numbered 5,222, comprising 2,464 males and 2,758 females, and the deaths numbered 2,097, of which 1,095 were males and 1,002 females. The excess of births over deaths was 3,125. Immigration into the State amounted to 35,159 persons, and emigration from the State 37,643, a loss of 2,484. The total estimated population on December 31, 1908, was 184,649, a gain of 641 over the preceding year.

There has been an increasing number of French ships making Hobart a port of call. These ships travel on the mileage bounty system, and usually leave Hobart with only ballast. Over 60 of these ships visited Hobart in 1908, and 37 destined for the United States received bills of health at this consulate, as compared with 33 in the preceding year.

Tasmania is rich in natural resources, and with better crop conditions and improvement in prices for mineral products the island should gain in prosperity. Tasmania has gained from the Federation in that it now has a free market for its products in neighboring States, but it has suffered to some extent from the fact that the government of the state has had a lessened revenue from customs to devote to purposes of internal improvement.

NEW ZEALAND.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL WILLIAM A. PRICKITT, AUCKLAND.

During 1908 business received a check in New Zealand, brought about mainly by a fall in the price of the principal articles of export. For the first time in many years the value of the imports exceeded that of the exports. The income from the exports of wool, hemp, and kauri gum in 1908 was over \$14,000,000 less than in 1907. The consequence was tight money. For the last six months the bank deposits have been decreasing steadily and the banks are obliged to restrict their loans.

To add to the embarrassment of the situation there have been labor troubles. The new workers' compensation act, which came into effect January 1, 1909, amending the previous law, was the cause of much stoppage of work in the mining industries during the first month of the new year. Section 10 of the act provides as follows:

That if in any employment to which this section applies a worker contracts any disease, and the disease is due to the nature of the said employment, within the twelve months previous to the death or disablement, and the incapacity or death of the worker results from that disease, compensation shall be payable as if the disease was a personal injury or accident arising out of and in the course of that employment.

As miners are liable to contract pneumoconiosis and other diseases, mine owners directed that their employees should be examined to ascertain whether they were sound before proceeding to work under the new law. The employees refused to submit to examination, and the insurance companies which had heretofore been assuming the employers' liability refused to take the risk without it. After several days' delay the Government directed the Government Insurance Company to assume the risk for a year, waiving the medical examination. Work was then resumed.

The total trade of New Zealand in 1908 was valued at \$164,213,739, against \$181,869,951 in the previous year. The imports, amounting to \$84,910,490 in 1908, showed an increase of \$706,118, while the exports, valued at \$79,303,249, showed a decrease of \$18,362,330, as compared with 1907. The principal articles exported showing decreases were as follows:

Articles.	1907.	1908.	Decrease.
Flax fiber.....	\$4,049,250	\$1,925,950	\$2,123,300
Gold.....	9,866,780	9,743,323	123,457
Gum, kauri.....	2,822,024	1,811,798	1,010,226
Meat, frozen.....	16,646,661	15,497,150	1,149,512
Wool.....	37,264,142	25,915,148	11,348,994

TRADE WITH THE UNITED STATES.

The total trade of New Zealand with the United States in 1908 amounted in value to \$9,854,747, a decrease of \$1,282,065 from the previous year. The imports in 1908 were valued at \$7,834,262 and the exports at \$2,020,485, an increase of \$905,865 in imports and a decrease of \$2,187,930 in exports.

The declared value of exports to the United States in 1908 was \$2,020,485, a decrease of \$2,187,930 from the previous year. The values of the articles listed at Auckland and the agencies of Christchurch, Dunedin, and Wellington in 1907 and 1908, respectively, are shown in the following comparative statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Flax fiber.....	\$614,423	\$82,363	Wool.....	\$726,603	\$265,687
Gum, kauri.....	1,953,825	1,140,410	All other articles.....	95,879	40,129
Onions.....	5,397	666	Total.....	4,208,415	2,020,485
Pelts.....	457,698	103,015			
Skins.....	354,590	388,215			

The imports, by articles, for 1907 and 1908, respectively, are shown in the following comparative statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Apparel, etc.....	\$85,337	\$122,827	Iron and steel, and manufactures of—Continued.		
Arms and ammunition.....	84,316	49,227	Nails.....	\$139,506	\$141,125
Books.....	32,902	42,005	Tools, etc.....	361,808	443,961
Brush ware and brooms.....	13,900	17,997	Lamps, lanterns, etc.....	53,679	64,560
Cars, carriages, etc.: Automobiles, etc.....	59,321	43,434	Leather, and manufactures of: Boots and shoes.....	162,645	131,448
Carriages.....	7,723	6,415	Leather.....	92,340	140,877
Carts, drays, etc.....	8,126	11,222	Saddlery and harness.....	8,709	10,673
Bicycles.....	15,867	14,556	Other.....	9,531	6,036
Materials for.....	60,794	112,713	Metals, manufactures of.....	159,695	225,669
Clocks and watches.....	81,089	88,559	Oils: Kerosene.....	699,753	883,815
Confectionery.....	17,287	18,269	Other.....	245,941	402,636
Cotton, manufactures of.....	107,960	194,035	Packing, engine.....	9,375	11,819
Drapery.....	12,928	10,872	Paints and colors.....	48,114	49,718
Drugs, chemicals, etc.....	105,443	169,211	Paper: Printing.....	36,824	38,637
Fancy goods and toys.....	36,056	68,302	Writing.....	15,576	14,925
Felt sheathing.....	22,599	17,870	Other.....	8,286	8,311
Fish.....	85,420	32,197	Paraffin.....	63,467	75,884
Foods, farinaceous.....	16,893	15,338	Perfumery.....	15,003	16,752
Fruits.....	285,865	317,499	Pictures, paintings, etc.....	7,086	11,474
Furniture polish.....	14,497	25,359	Plaster of Paris.....	12,369	19,318
Glass and glassware.....	55,351	92,403	Provisions, n. e. s.....	12,519	17,418
Grease.....	13,297	12,446	Resin.....	41,091	48,984
Grindery.....	32,523	37,033	Sausage casings.....	64,560	60,133
Haberdashery.....	22,507	20,082	Seeds, grass and clover.....	32,387	51,147
Hosiery.....	5,623	3,169	Soap, etc.....	50,768	61,819
Ink, printing.....	10,741	11,615	Stationery.....	63,306	70,630
Instruments: Musical.....	23,479	15,246	Sugar, glucose.....	22,827	25,841
Other.....	46,651	65,605	Tobacco, manufactures of: Cigars.....	26,463	41,446
Iron and steel, and manufactures of: Hardware, etc.....	253,595	290,711	Cigarettes.....	255,359	115,721
Iron and steel.....	401,441	445,599	Tobacco.....	527,888	429,925
Machinery— Agricultural.....	219,653	316,201	Turpentine.....	75,763	66,193
Dairying.....	25,986	26,322	Varnish, etc.....	14,794	21,331
Electric.....	100,976	208,815	Wood, manufactures of: Furniture.....	67,155	59,968
Mining, etc.....	7,436	68,332	Moldings.....	43,798	27,474
Other.....	205,943	135,482	Timber.....	26,414	135,832
Machines— Dredging.....	8,704	2,712	Other.....	96,758	121,568
Engines— Gas and oil.....	152,390	99,334	All other articles.....	520,447	411,857
Steam.....	12,406	3,538	Total.....	6,928,397	7,834,262
Refrigerating.....	11,226	12,092			
Sewing.....	92,906	82,426			
Typewriters.....	29,145	42,267			

The letters which are continually being received asking for commercial information come generally from a succession of new correspondents, so that the same intelligence is often repeated. The writers do not seem to understand how extremely difficult it is for any merchant who has not hitherto done business with New Zealand

to introduce competitive goods. If the correspondent has not new goods upon which he has a monopoly he will find it next to impossible to work up a permanent business by correspondence. If he is not prepared to send capable men here with samples of the goods, he must work through the large exporting and importing firms already established.

AUCKLAND.

By CONSUL-GENERAL WILLIAM A. PRICKITT.

Auckland has been so prosperous during the past decade and the business men have accumulated such a surplus that an unproductive year or two may well be expected and regarded with equanimity. Building has been very active and the annual ratable value for the city has increased from \$1,506,615 in 1899 to \$2,530,580 in 1909. The projected public buildings to be erected in the near future are the new post-office, to cost \$413,651; town hall, \$389,320; Seddon Memorial Technical College, \$145,995; harbor board offices, \$121,662; Young Men's Christian Association building, \$82,730; magistrate's court building, and various other smaller ones, making a total of over \$1,216,625.

In addition to this the Auckland Harbor Board is expending over \$1,000,000 annually in new ferroconcrete wharves. The board has ordered a new suction dredge, to cost \$52,800, capable of lifting 1,000 tons of material per hour, and a ladder dredge with a very large working capacity, to cost \$156,944. The city has voted an extensive drainage scheme, the construction of which will extend over a period of several years, at an estimated cost of \$4,136,525.

GOLD OUTPUT—SHIPMENTS TO THE UNITED STATES.

Although the output of the Auckland gold fields for 1908 was slightly less than that for 1907, they have been actively developed in several directions and a much increased production is expected for 1909. The Waihi and Talisman mines alone are counted upon for a yield during the year of over \$6,000,000, while the mines at the Thames, where large amounts of gold have been taken from the surface, are to be thoroughly prospected to a depth of 1,000 feet by means of new pumping arrangements lately installed.

The value of the exports to the United States, exclusive of returned goods, declared at Auckland in 1908 was \$1,168,150 against \$2,211,822 in 1907. The articles in 1908 were as follows:

Articles.	Value.	Articles.	Value.
Animals.....	\$4,915	Wool.....	\$4,714
Fish, canned.....	219	All other articles.....	238
Flax fiber.....	14,550		
Fungus.....	364	Total.....	1,168,150
Gum, kauri.....	1,140,410	Returned American goods.....	2,134
Pelts.....	2,471		
Specimens, natural history.....	269	Grand total.....	1,170,284

CHRISTCHURCH AGENCY.

By CONSULAR AGENT FRANK GRAHAM.

General trade in this district is on a sound basis, but restricted in consequence of the adoption by the banks of a conservative policy, which, while affording the necessary accommodation for ordinary business requirements, discourages speculative transactions, particularly in land. This policy was forced on the banks owing to the heavy fall in the value of wool, etc., in the season of 1907-8, resulting in making the advances by banks considerably in excess of deposits. As a consequence there is a falling off in the building trade, but a healthy check was put on undue speculation in land and building transactions.

During 1908 there was a heavy fall in the exports of wool, mutton, kauri gum, flax, and gold, and it could only be expected that a disturbance in local trade would result. This is apparently passing off without any failures of consequence, which speaks well for the general prosperity of the country.

The season in this district promises to be a record one for fat lambs, butter, cheese, and root and grain crops. Wool has improved in value, and although considerably below the high point previously reached, the local sales show improvement as compared with those of last year. The operations of buyers for American requirements are satisfactory, and the wool exported to the United States in the first quarter of 1909 will no doubt show a large increase over that of the corresponding period of 1908. The market prospects for meat, wheat, dairy products, and grass seed are also favorable.

The declared exports to the United States in 1908 showed a decrease of \$358,511 from those of 1907, the values for the two years being \$285,951 and \$644,462, respectively. The articles and values in 1908 were flax fiber, \$17,776; honey, \$204; onions, \$666; pelts, \$95,209; personal effects, \$1,178; and wool, \$170,918. With these articles were also included returned American goods to the value of \$2,313.

DUNEDIN AGENCY.

By CONSULAR AGENT FREDERICK O. BRIDGEMAN.

The unbroken prosperity experienced in New Zealand for some years received a check in 1908, and there was a falling off, in some cases in volume and in others in value, of many staple products. In this district the fall in the value of wool was a very serious matter.

The condition of the wool market may be attributed in a large measure to the financial stringency which has been apparent here and throughout the entire world. Those most affected, as is usual in such cases, were the merchants and distributors. However, it is thought that the depression is but temporary, and the prospects for the coming year are brighter. Owing to the fact that the American buyers have come again into the market, the value of wool shows some improvement, with a decided upward tendency, and the prospects of a bountiful harvest are encouraging to the farmers. There has been no undue inflation in Otago and Southland for a good many years, and so far as these districts are concerned there has been no excessive valuation of land or anything in the nature of a boom.

Great improvements have been and are being made by the Otago Harbor Board, and the work recently undertaken to improve the entrance to the harbor has proved quite successful. By the formation of a new channel there is now at its shallower part a minimum draft of 23 feet at low water, and it is expected that a minimum low water depth of 25 feet will be secured. The Victoria channel from Port Chalmers to Dunedin has also been considerably improved, and a minimum depth of 18 feet at low water has been maintained, so that ocean steamers which formerly had to stop at Port Chalmers are brought up to the Dunedin wharves to discharge. The consequent increase of tonnage and revenue, as well as the steadily increasing value of the harbor endowments, has rendered it possible to considerably reduce both port charges and dues.

The year passed without any important developments worthy of special note in the mining industry of this province. There was a decrease of some 7,000 to 8,000 ounces in the year's yield from the public dredges, of which there were about 30 at work, in Otago and Southland. On October 31, 1907, there were 72 dredges, public and private, at work in Otago, 52 in Southland, and 25 on the west coast. The total gold yield from the public dredges was 40,222 ounces against 47,713 ounces in 1907, 52,662 ounces in 1906, and 77,187 ounces in 1905. It is estimated that the total amount paid in dividends by the public and private dredges in 1908 was about \$500,000.

TRADE WITH THE UNITED STATES.

The importation of American goods was inconsiderable during the past year, and the business has certainly fallen off in comparison with former years, when local merchants found it advantageous to load sailing vessels with general cargo from the United States on their own account. The uncertainty with regard to the sailing of steamers from the United States, the frequent fluctuations in freight rates, and the additional duty levied on goods under the preferential tariff all affect trade unfavorably.

The declared value of exports to the United States from this district in 1908 amounted to \$141,292, as compared with \$623,685 in the preceding year. This falling off was mainly in the exports of wool. The articles in 1908 were as follows:

Articles.	Value.	Articles.	Value.
Egg flake.....	\$1,321	Pelts.....	\$5,335
Hemp.....	8,469	Pitch.....	307
Hides.....	6,629	Skins.....	19,276
Machinery:		Wool.....	84,625
Dredging.....	12,829	All other articles.....	143
Milling.....	1,868		
Matting.....	286	Total.....	141,292
Metals.....	204		

WELLINGTON AGENCY.

By CONSULAR AGENT JOHN G. DUNCAN.

The chief exports from this district consist of butter, cheese, frozen beef, lamb and mutton, wool, skins, hemp, and tow. The shearing season commences in October and continues for three months, but the shipments do not begin until the middle of November,

and the bulk of the clip is shipped between that time and March 31, following. The 1907-8 clip was marketed during the extreme depression that existed in the United States and elsewhere, and as the drop in the price of wool ran from 40 to 50 per cent the results were most disheartening to the producer and caused a serious curtailment of the supply of money. This brought on a period of financial stringency, which resulted in an advance in the lending rates on first-class mortgages from $4\frac{1}{2}$ to 6 per cent, while even higher rates had to be paid on less desirable securities. Fortunately the tide has turned, and commencing with the November sales there has been an active demand for wool at steadily advancing prices.

During 1908 the prices received for frozen beef, lamb, and mutton were entirely satisfactory, but at the present time the consuming markets are depressed and prices seem likely to go down.

The supply of butter and cheese was not sufficient to meet the demand, and high prices ruled during the entire season.

The large output of manila hemp seriously lessened the shipments of the New Zealand product during 1908, the shortage from 1907 being about 12,000 tons, while prices which early in the year ruled at \$115 for good fair quality had dropped to \$103 in December, 1908. So much labor is involved in the preparation of this article that the falling off represents a loss in wages of about \$700,000 in the year.

Taken as a whole, the production of the chief exports of this district shows results which should mean prosperity, but the steady advance which has been made in the cost of both skilled and unskilled labor has done much to reduce the net results, and unless labor becomes more moderate in its demands it is considered questionable whether serious loss may not result.

The declared value of exports to the United States in 1908 was \$425,092, against \$729,702 in 1907. This decrease was principally in flax fiber, which fell off \$259,707. The articles and their values in 1908 were flax fiber, \$50,037; pease, \$322; skins, \$368,939; natural history specimens, \$365; and wool, \$5,429. With these articles were also included returned American goods to the value of \$1,404.

FRIENDLY ISLANDS.

PREPARED IN THE BUREAU OF MANUFACTURES FROM BRITISH OFFICIAL SOURCES.

The total foreign trade of the Friendly Islands during 1908 was valued at \$1,131,005, against \$1,129,097 in 1907. The imports in 1908 amounted to \$480,080 and the exports to \$650,925, while in 1907 the values were \$476,042 and \$653,055, respectively.

The value of the direct imports, by countries, is shown in the following comparative statement:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$920	\$12,079	Samoa.....	\$17,427	\$5,067
Australia.....	177,968	165,923	United Kingdom.....	414	6,906
Fiji Islands.....	16,133	22,313	All other countries.....	3,315	2,688
Germany.....	53,756	51,016			
New Zealand.....	206,109	214,088	Total.....	476,042	480,080

The principal articles of import into the colony in 1907 and 1908 are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bags and sacks.....	\$12,580	\$11,227	Leather, and manufactures of:		
Breadstuffs:			Boots and shoes.....	\$6,818	\$4,312
Biscuits.....	13,251	14,356	Unmanufactured.....	5,242	4,764
Flour.....	25,652	22,352	Oil, kerosene.....	9,466	8,586
Carriages, etc.....	7,023	6,074	Provisions.....	51,813	60,814
Drapery.....	125,400	135,905	Soap.....	6,692	5,412
Fish.....	16,079	14,654	Sugar.....	9,675	10,086
Iron and steel, manufactures of:			Timber.....	24,070	23,218
Galvanized.....	21,125	9,193	Tobacco, and manufactures of..	5,373	5,524
Hardware, etc.....	22,950	22,492			

The United Kingdom supplied directly and indirectly 80 per cent of the drapery, the remainder coming from France and Germany. The United States furnished part of the timber, fish, tobacco, and carriages. Practically all the provisions came from New Zealand, and iron and steel manufactures almost entirely from the United Kingdom.

Copra and fruit are the leading items of export, their value for 1908 being \$563,935 and \$69,041, respectively. Of the copra the shipments to European countries were valued at \$191,439; Australia, \$324,445; New Zealand, \$34,314; and the United States, \$13,737.

SAMOA.

REVIEW OF TRADE CONDITIONS.

By CONSUL MASON MITCHELL, APIA.

The total value of the imports into Samoa in 1908 was \$595,778, against \$664,155 in 1907, a decrease of \$68,377. Wine showed a decrease of 4,143 liters (liter=1.0567 quarts), while beer and spirits increased by 7,680 and 1,381 liters, respectively. Ironmongery, lumber, building material, machinery, and vehicles showed decreases, due to the fact that most of the planters are well equipped with buildings and machinery and that vehicles are built locally instead of being imported. The imports, by countries, were as follows:

Articles.	United States.	Germany.	Australia and New Zealand.	United Kingdom.	Other countries.
Clothing and drapery.....	\$2,396	\$36,443	\$76,258	\$2,850	\$6,697
Firearms.....	48	1,106	84	53	13
Foodstuffs.....	23,467	12,077	201,999	1,457	4,832
Hardware.....	1,754	3,208	8,850	168	353
Lumber.....	1,688	14,054	18,435	1,224	405
Spirits, wines, and malt liquors:					
Beer.....	321	12,334	1,500	.....	42
Spirits.....	27	3,738	6,272	3	57
Wines.....	596	2,771	2,575	.....	751
Tobacco, manufactures of:					
Cigars.....	.....	4,181	1,205	29	144
Tobacco.....	162	1,203	3,663	50	587
Vehicles.....	1,431	2,352	6,118	.....	614
All other articles.....	8,269	37,011	66,604	2,702	8,657
Total for 1908.....	40,149	130,478	393,433	8,536	23,182
Total for 1907.....	74,338	124,630	434,751	10,729	19,707

The above statistics, compiled from the custom-house reports, are not accurate as far as American imports are concerned. Kerosene oil, lumber, canned goods, and hardware are shipped from the United States to Australia and New Zealand and sold from there to Samoa, the colonies thereby being credited with the imports. The handicap American goods labor under is the want of a regular and direct steamship line from the United States to Samoa. For instance, kerosene oil comes directly from the United States to Sydney and Auckland by the shipload, consequently the Samoan merchant can purchase his oil in those places and pay the freight cheaper than he can import it from San Francisco.

The value of the exports in 1908 was \$641,096, an increase of \$316,381 over 1907. The countries showing increases were Germany, United Kingdom, Australia, and New Zealand, while the shipments to the United States showed a decrease. Germany took articles worth \$300,692, against \$218,472 in 1907, and other European countries increased their purchases by \$86,245, the shipments being valued at \$7,272 in 1907 and \$93,517 in 1908. The exports to Australia and New Zealand showed an increase of \$48,317, while those to the United States decreased \$524.

LARGE CACAO CROP.

With the large cacao crop just gathered, which may be repeated before the end of the year, and with the native questions now settled so the Samoans can resume work and make copra, it seems reasonable to expect that the output of these two staples will be very considerably increased in 1909.

The cacao tree was first introduced into Samoa in September, 1883, the plants arriving from Ceylon. The trees were planted at Utumapu, 1,000 feet above sea level, at a distance of 15 feet apart, and were shaded by chili peppers. In February, 1884, another consignment of plants arrived from Ceylon, and these were planted at a distance of $7\frac{1}{2}$ by 15 feet. By the end of 1884 there were 204 trees three feet high. In June, 1886, the first trees bloomed, and in the following December the fruit had matured. In July, 1887, the first Samoan-raised cocoa beans were planted. The two different species of the cocoa trees were standing in the field near one another and hybridized. In the first years it could not be told to which specie the fruit belonged; in later years with every generation the first hybridized and Samoanized more and more, until a certain shape and color formed, which at present is uniform and goes by the name of Samoan cacao.

SOCIETY ISLANDS.

REVIEW OF TRADE CONDITIONS.

By CONSUL JULIUS D. DREHER, TAHITI.

The condition of the colony of Tahiti and its dependencies during 1908 may be regarded as on the whole fairly satisfactory. The increased shipments of copra, mother-of-pearl shell, vanilla beans, and fruit show that the productive capacity of the colony is increasing. While the low prices of the principal products of these islands during that year had a rather depressing effect on business, the advance in prices early in 1909 is ground for the hope of more prosperous times.

Another reason for hopefulness is found in the fact that the *Compagnie Française des Phosphates de l'Océanie*, which has a capital of 6,000,000 francs (\$1,158,000), is making preparations to mine the extensive deposits of phosphate discovered on the island of Makatea, 120 miles from Tahiti. This company is building houses on Makatea and is preparing to develop the phosphate deposits on a large scale. This preliminary work, though only well begun, has already rendered many trips of schooners necessary between that island and Tahiti. The extensive works to be erected for mining and handling the phosphate and for loading it at deep-sea moorings will require considerable time and the expenditure of a large amount of money. Some delay in this work may be caused also by the opposition of the *Compagnie de l'Océanie Française*, which also has offices at Tahiti. This company has made contracts with many of the native landowners on Makatea and has instituted legal proceedings to test the validity of the contracts made by the other company. If this controversy should not be settled by a compromise, it is hoped that any interruption of the work on Makatea by legal processes may be only temporary.

There is good reason to expect that during 1909 the people of Tahiti will see the beginning of the work of installing a system of wireless telegraphy. It is proposed by this system to give nearly all the widely scattered groups of islands in the South Seas connection with the telegraphic systems of the world.

FOREIGN TRADE OF THE COLONY.

The imports into the islands in 1908 amounted in value to \$746,497, and the exports to \$607,048. In 1907 the imports were \$643,039 and the exports \$702,511, so that in the whole volume of business in 1908 there was a gain of \$7,995. The gain in imports in 1908 was \$103,458, and the loss in exports was \$95,463. In the previous year there was a gain of \$113,007 in imports and a loss of \$14,831 in exports as compared with 1906.

The value of the imports and exports, by countries, during 1907 and 1908, respectively, was as shown in the tabular statement at the top of page 717.

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$294,834	\$340,342	\$346,338	\$309,730
New Zealand.....	154,917	149,359	59,481	40,370
France.....	78,018	118,650	88,281	27,388
United Kingdom.....	58,007	83,791	103,721	147,486
Germany.....	14,382	14,629	15,935	10,798
Other countries.....	42,881	39,726	88,755	71,276
Total.....	643,039	746,497	702,511	607,048

New Zealand still has a practical monopoly in exporting to this colony live animals, canned meats, canned butter, and ordinary soap; but a large proportion of the other imports credited to New Zealand were really from other countries. This is true with regard to kerosene oil to the value of \$10,751, and benzine, valued at \$7,880, originally shipped from New York, but credited to New Zealand because transshipped there for Tahiti. The increasing use of benzine for propelling schooners caused a gain of 13 per cent in the imports of that article during 1908.

The United Kingdom, which is the only country showing a gain in exports in 1908, received mother-of-pearl shell to the value of \$139,268, the quantity shipped to that country being 576 metric tons (metric ton = 2,204.6 pounds) out of a total exportation of 635 tons.

The principal imports from other countries were as follows: China, \$10,202; the outlying British islands of Rarotonga, \$9,399, Penrhyn \$7,540, and Flint \$6,256; Sweden, \$1,520; Belgium, \$1,219; and from the isolated British island of Pitcairn, \$1,045, being the value of 10.7 tons of arrowroot flour.

PRINCIPAL ARTICLES OF IMPORT.

The principal articles imported during 1907 and 1908, respectively, are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals, live.....	\$7,921	\$8,984	Provisions—Continued.		
Bags, empty.....	3,473	6,059	Meats, salted and canned..	\$32,909	\$33,046
Benzine.....	6,976	7,880	Milk, condensed.....	5,972	4,997
Breadstuffs:			Roofing, galvanized-iron.....	9,049	10,090
Cereal foods, grains, etc....	33,168	40,156	Rope, cord, etc.....	13,608	12,757
Flour.....	68,371	76,717	Shoes.....	6,012	10,537
Coal.....	1,633	8,340	Soap.....	15,111	16,893
Fish.....	17,760	20,806	Sugar, refined.....	5,303	4,849
Furniture.....	2,573	4,250	Tea.....	4,173	3,666
Lumber.....	32,609	38,108	Textiles, clothing, etc.....	146,845	160,594
Machinery (including sewing machines).....	5,586	20,016	Tobacco, cigars, etc.....	5,133	4,455
Matches.....	4,387	2,672	Toys, fancy goods, etc.....	3,928	6,362
Metals, ironmongery, etc.....	33,633	44,614	Vegetables, fresh, canned, etc..	7,478	7,452
Oil, kerosene.....	11,429	11,910	Wines, spirits, beer, etc.....	22,004	22,131
Paints, oils, colors, etc.....	11,217	9,596	Wood, manufactures of.....	11,866	15,276
Paper, and manufactures of....	4,799	6,039	All other articles.....	86,990	106,646
Provisions:			Total.....	643,039	746,497
Butter, canned.....	15,741	16,006			
Lard.....	5,492	4,603			

There was a considerable increase in the imports of cereal foods, flour, coal, lumber, machinery, metals and ironmongery, shoes, and

textiles and clothing. The increased quantity of coal imported was mainly for the use of the French gunboat *Zelee*, which is stationed in the South Seas. The empty bags imported are used mainly in shipping copra and cocoanuts.

SHIPMENTS OF DOMESTIC PRODUCTS.

The following table shows the principal articles exported during 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beche de mer	\$16,109	\$7,163	Mother-of-pearl shell	\$159,707	\$152,468
Cocoanuts	15,996	15,662	Oranges	5,359	8,025
Copra	268,071	222,454	Vanilla beans	136,340	133,872
Cotton	5,007	5,874	All other articles	85,528	64,562
Fungus	9,194	5,528			
Honey	1,200	1,440	Total	702,511	607,048

As compared with the quantities of the principal products exported in 1907, the exports for 1908 show the following gains: Copra, 644 metric tons; mother-of-pearl shell, 114.5 tons; vanilla beans, 32 tons; oranges, 1,381,200; and cocoanuts, 212,270, in number.

In spite of these gains, however, the low prices prevailing during the year caused a decrease in the value of exports to the amount of \$95,463. As an offset to this loss, a Norwegian vessel, which was loaded during December last with a cargo of products of the Marquesas and the Society Islands, did not sail until January 7, 1909, and hence this cargo, of the value of \$71,088, could not be included in the exports for 1908.

In the exports of all other articles are included goods shipped to outlying British islands to the amount of \$21,265.

COPRA, MOTHER-OF-PEARL SHELL, AND PEARLS.

The total exports of copra in 1907 amounted to 4,040 metric tons and in 1908 to 4,558 tons, a gain of 518 tons in the latter year. Of the 4,558 tons exported in 1908, 442 tons were produced in outlying British islands, leaving 4,116 tons as the product of this colony in 1908, which was a gain of 644 tons over the preceding year. The large gain in the production of copra in the Society and Tuamotu Islands shows that the trees have recovered from the effects of the cyclone of February, 1906. In the Society Islands also the scale has almost disappeared; and as many young trees will come into bearing from year to year, the colony ought to produce an increasing quantity of copra. The product of this colony will scarcely ever become large enough, however, to have an appreciable influence in the world's market. In 1907 France alone imported 100,109 metric tons of copra, mostly from the British and the Dutch East Indies, the Philippines, and East Africa. Copra is shipped from Tahiti in coarse bags of two sizes, 70 pounds and 130 pounds. The export duty on copra is \$1.93 a metric ton.

As it has not yet been decreed that buttons made of dark-edged shell shall be fashionable, the price of mother-of-pearl shell remains low in Tahiti. The shipments in 1908 were 635.5 metric tons, which

was a gain of 114.5 tons over the exports of 1907. From 350 to 400 tons remain unsold in foreign markets. Good shell will bring from \$400 to \$500 a ton in London, the best quality as much as \$600. The grading is based on the size and quality of the shells. The largest shells measure 6 inches and more in width and a little more than 6 inches in length. The finest specimens make attractive ornaments in Tahiti homes. An import duty of \$7.72 a ton is charged on shell from the Tuamotu Islands when landed at Papeete and an additional duty of \$11.58 a ton when it is exported from Papeete.

Although pearls are not included in the trade statistics of these islands, the finding of them adds a fascination as well as a profit to the shell industry in the Tuamotu atolls. During the diving season of six months a number of pearl buyers visit the numerous islands, and it is said that they do a profitable business. The native divers usually have their shells mortgaged in advance for supplies, but they are free to dispose of the pearls they are lucky enough to find. Still the business has an air of secrecy about it and it is impossible to obtain exact information regarding the number and value of pearls found in a season. From the activity of the pearl buyers and their unwillingness to give information it may be assumed that the business is not inconsiderable. The pearls found are usually small, and few have been discovered that would be worth more than a few thousand dollars each. The business amounts to probably \$20,000 a year. The South Sea divers are noted for the length of time they can remain under water. A number can stay under water for two and a half minutes and a few of the best divers for three minutes at a time. The best Ceylon divers can remain under water only one hundred and ten seconds.

VANILLA, SUGAR, AND COTTON PRODUCTION.

The quantity of vanilla beans exported in 1907 was 141 tons and in 1908, 173 tons, a gain of 32 tons. If more attention were given to the cultivation of the vanilla bean the quantity raised could be largely increased, the soil and climate of these islands being favorable to its growth. But it is cultivated in a careless manner, and little care is taken in curing it by the Chinese shopkeepers in Tahiti, who have a monopoly of the business. The Caisse Agricole, a bank having close relations with the colonial government, has reduced from 43 cents to 38 cents its guarantee per pound for good vanilla. No export duty is charged on vanilla. Recent Paris quotations of prices show that Tahiti vanilla has a low rank. The prices per pound are as follows: Mexican, \$3.95 to \$4.82; Reunion, \$2.02 to \$2.25; Madagascar, \$1.67 to \$1.93; Guadaloupe, \$1.05 to \$1.23; Tahiti, \$0.75 to \$0.88.

The quantity of sugar produced in 1908 was about 410 tons. As the Atimaono plantation, 25 miles from Papeete, has been put in much better condition, it is probable that the production in 1909 will be considerably increased. The colony needs about 550 tons of unrefined sugar a year.

Statistics regarding the production of sea-island cotton show a decrease of 8.365 metric tons; but this decrease is only apparent, not actual. The Norwegian bark, already referred to as sailing on

January 7, 1909, took 46 tons of cotton, so that the production in 1908 was nearly three times as large as in 1907. The Caisse Agricole continues its guarantee of 7 cents a pound in the seed for all cotton raised in the colony.

TRADE WITH THE UNITED STATES.

Of the total value of imports into the islands in 1908 the United States furnished goods to the value of \$340,342, or 45.6 per cent of the whole amount; and of the total exports the United States received products to the amount of \$309,730, or 51 per cent of the whole. In 1907 these percentages were 46 and 49, respectively. If to the imports from the United States in 1908 be added the \$10,751 for kerosene oil and the \$7,880 for benzine shipped from New York to New Zealand and credited to the latter because these articles were there transshipped to Tahiti, the total imports from the United States would amount to \$358,973, or 48 per cent of the whole. As other American goods were credited to New Zealand for the same reason, it would be safe to say that the United States actually furnished more than half the imports into this colony during 1908.

The following table gives the value of the principal articles imported into the islands from the United States during 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bags, empty.....	\$2,127	\$3,031	Medicines and chemicals.....	\$3,376	\$4,277
Breadstuffs:			Paints, oils, colors, etc.....	4,654	4,685
Cereal foods, grains, etc....	25,573	33,739	Paper, and manufactures of....	2,288	3,051
Flour.....	66,513	76,470	Provisions:		
Confectionery, etc.....	1,258	1,314	Cheese.....	1,448	1,441
Fish:			Lard.....	4,467	3,799
Salmon, canned.....	12,068	13,937	Meats, salted, and canned..	2,011	2,032
Salted, dried, etc.....	2,092	3,015	Milk, condensed.....	1,519	493
Fruits, fresh, canned, etc....	2,623	2,397	Rope, cord, etc.....	9,113	8,351
Furniture.....	1,727	2,868	Rubber goods.....	1,510	1,452
Graphophones.....	661	1,676	Soap.....	1,611	2,471
Iron and steel, manufactures of:			Sugar, refined.....	2,299	1,137
Hardware, etc.....	12,999	13,905	Textiles, clothing, etc.....	56,248	43,055
Machines, sewing.....	1,829	4,635	Vegetables, fresh, canned, etc..	5,494	5,122
Machinery.....	5,341	5,145	Vehicles, etc.....	2,530	3,433
Tools, implements, etc.....	2,975	4,126	Wines, spirits, beer, etc.....	5,691	3,562
Leather, and manufactures of:			Wood, manufactures of.....	6,024	8,580
Harness, harness leather,			All other articles.....	9,199	27,339
etc.....	2,604	5,528			
Shoes.....	3,685	6,805			
Lumber.....	31,277	37,470	Total.....	294,834	340,342

FLOUR, CEREALS, SALMON, GRAPHOPHONES, ETC.

The United States made gains during last year in the imports of the following articles: Cereal foods, flour, salmon, furniture, graphophones, leather, harness and saddlery, lumber and manufactures of wood, sewing machines, shoes, and tools and implements.

Flour continues to be the leading article of import from the United States, which has a practical monopoly in supplying this colony with that important article of food. There was a gain of 15 per cent in the imports of flour, and of 24 per cent in cereals, last year. The United States furnished 83 per cent of the total imports of cereal foods.

There is a steady gain in the imports of canned salmon. As compared with the value of salmon imported in 1906, the year 1908 showed a gain of 51 per cent. It seems remarkable that so much

fish should be imported into this colony of more than 100 islands, where the waters abound in fish and where many idle natives might be profitably engaged in providing this article of food which is so popular among them. It may be regarded as still more remarkable that eggs should be imported from the United States; but when eggs sell for as much as 55 cents a dozen in Papeete, it shows that they can be profitably brought 3,658 miles from San Francisco, 1,025 dozens being imported last year from that point.

In lumber also the imports continue to show a steady gain. Last year the gain in lumber was nearly 20 per cent and in wood manufactures more than 27 per cent. During the first three months of 1909 lumber was imported from the United States to the amount of 1,175,100 feet, most of which was brought by two schooners in January, one from Aberdeen, and the other from Port Townsend, Wash. Taking advantage of the low prices the merchants of Tahiti have imported so much lumber in the last five months that the stocks on hand will be sufficient for general purposes for the rest of this year; but a considerable quantity of lumber will be needed for the phosphate works on the island of Makatea.

The largest percentages of gain made by the United States last year were in graphophones and sewing machines, the gain in the imports of each being over 153 per cent. Excellent graphophones, which are popular in Tahiti, are imported also from France. Nearly every native woman who can afford to do so buys a sewing machine. Of the total imports of such machines last year the United States furnished 78 per cent; but of sewing thread imported to the value of \$3,298 Germany supplied 74 per cent and the United States practically none.

It is not easy to explain the considerable decrease in the imports of textiles and clothing from the United States last year, but a part of the loss may have been caused by the large amount of French goods shipped to Tahiti by a bark which sailed from Dunkirk, France. The tariff on French goods is only a little more than half that charged on imports from other countries.

Less refined sugar was imported because more use was made of the native article manufactured in Tahiti. As the United States continues to make so poor a showing in the imports of canned meats and soap, as compared with New Zealand, it is gratifying to note the gain in the amount of soap imported last year from America.

VALUE OF EXPORTS TO THE UNITED STATES.

The declared value of the exports of domestic products to the United States during 1907 and 1908 is shown, by articles, in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Beche de mer	\$10	\$108	Other articles	\$839	\$380
Cocoanuts	15,996	15,662	Total	343,680	309,730
Copra	223,111	185,234	Returned American goods	2,661	\$14,621
Copper	303	172	Coin	37,108	.....
Fruit	1,982	2,457	Grand total	383,449	324,351
Mother-of-pearl shell	296	.....		
Vanilla beans	101,143	105,717			

* Includes instruments of Lick Observatory Eclipse Expedition, valued at \$14,500.

Of the total quantity of copra exported in 1908, the United States received 3,427 tons, or nearly 75 per cent, a gain of 537 tons as compared with the amount received in 1907; and yet the prices prevailing during 1908 were so low as to cause a decrease in the value of the exports of this article to the United States to the amount of \$37,877 as compared with the previous year. For a brief period in 1908 copra sold in Tahiti for a little less than half the price paid for it in the spring of 1907. During the first three months of 1909 the exports of copra to the United States amounted to 2,634 tons, the unusually large shipments being due to the advance in price and to the opportunity of lower freight rates offered by two American schooners which brought cargoes of lumber to Tahiti.

Of the vanilla beans exported in 1908, the United States took 105.7 tons, or nearly 78 per cent, a slight gain over the previous year, when the quantity taken was nearly 105 tons.

All the cocoanuts exported are shipped to the United States and all the oranges to New Zealand. These oranges, which are of a fine quality, can not be shipped to San Francisco owing to laws in force there to provide against the introduction of fruit pests. Alligator pears, mangoes, and bananas are exported to the United States.

The large decrease in the exports of beche de mer and fungus to New Zealand for transshipment to China was due to the low prices of those articles in the markets of the Orient. As in the case of some other products, quantities of these two articles will probably be accumulated until prices advance to a point when shipments may be profitably made.

BANKING—CUSTOMS DUTIES—MAILS—SHIPPING.

There were no changes in banking facilities in 1908. The bank of Indo-China continues to do nearly all of the foreign banking business of this colony. In 1908 gold coin to the amount of \$16,476 was shipped to France, and silver coin to the value of \$4,829 was sent to New Zealand.

No changes were made in the tariff in 1908. The increase in the customs receipts for that year was \$11,663. In 1907 the increase was \$11,020.

During 1908 there were no changes in foreign transportation and mails. The American steamship *Mariposa* made its regular trips every thirty-six days from San Francisco, and the New Zealand ship arrived every twenty-eight days from Auckland. A new line from Wellington, New Zealand, to connect with the *Mariposa* at Tahiti began regular trips in January, 1909.

The total number of foreign vessels arriving in the islands in 1908 was 39 of 71,695 tons, and the number of departures was 36 of 68,665 tons. Of the total number 14 ships carried the American flag, 14 the British, 8 the French, 2 the Norwegian, and 1 the Chilean. Most of the vessels flying the French flag were schooners engaged in trade with the outlying islands.

One of the American vessels was the bark *Louisiana*, of San Francisco, laden with railroad ties for Peru, which put into the harbor of Papeete to repair a leak that endangered the safety of the vessel.

There was increased activity in local shipping during 1908, as shown by a gain of 64 in the arrivals and departures of vessels engaged in the

inter-island trade. The total number of such arrivals and departures in 1908 was 432; in the previous year the number was 368. The gain during 1908 was in part due to the increased number of schooners going to Makatea in connection with the preparations being made to mine phosphate on that island.

During 1908 three gasoline schooners were added to the local shipping; one of 100 tons from San Francisco and one of 26 and another of 28 tons built in Papeete. There is also interest manifested in building motor boats in Tahiti.

AFRICA.

ABYSSINIA.

REVIEW OF TRADE CONDITIONS.

PREPARED IN THE BUREAU OF MANUFACTURES FROM BRITISH OFFICIAL SOURCES.

The estimated value of the total imports into Abyssinia by the way of Jibuti was \$1,703,275 in the calendar year 1907 and \$1,386,953 in 1908. To these figures may be added \$380,000 for imports by the way of Zeila, the Sudan, and the Italian colonies. The value of the principal articles imported by the way of Jibuti in 1907 and 1908 was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Agricultural implements, etc.	\$34,036	\$12,181	Iron and steel manufactures of:		
Arms and ammunition	53,683	20,969	Hardware	\$27,477	\$19,680
Carpets	23,019	11,261	Iron, corrugated	14,473	22,712
Carts, in pieces	5,568	23,130	Tools	11,397	7,466
Cloth	52,475	42,678	Materials, construction	41,132	6,300
Cotton, manufactures of:			Provisions	16,016	6,300
Drills, calicoes, etc.	481,170	396,620	Sacks, empty	15,885	16,573
Shirtings	210,151	213,533	Spirits, wine and malt liquors	38,222	25,968
Furniture	12,098	6,269	Sugar	21,354	19,996
Glass and glassware	34,553	28,995			

The most important single item of import is cotton gray shirting, called "Americani," in East Africa. The United States supplies practically all this shirting, because it is said to wash better and last longer than the products from other countries. Italy has an increasing sale in gray shirtings, and the United Kingdom has placed a new design on the market which the importers state will in time compete successfully with other makes. Other cotton goods, such as calicoes, white drills, and cotton yarn, are imported in considerable quantities. The United Kingdom, Germany, India, and Italy all contribute to this trade. The United States supplies most of the kerosene and sewing machines.

The total value of the exports from Abyssinia through the port of Jibuti in 1908 was estimated at \$1,629,635, a decrease of \$93,602 from 1907. There were also shipped by the way of Sudan, Zeila, Eritrea, and Italian Somaliland goods worth approximately \$194,660. The principal articles exported through Jibuti were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Butter	\$3,937	\$37,818	Vegetables, dried	\$1,640	\$29,044
Coffee	730,437	560,811	Wax	147,168	178,683
Durra	7,033	19,160	All other articles	34,765	58,464
Ivory	272,641	310,668			
Rubber	13,343	10,122	Total	1,723,237	1,629,635
Skins	512,273	424,865			

The only means of transportation into the interior are camels, mules, and donkeys. The rate from Dirre Dawa to Adis Ababa varies according to demand, season, length of time allowed for journey, and nature of goods. An average would be \$19.70 for a camel load of 500 pounds, and \$7.30 for a mule load of 160 to 200 pounds. The journey by mule caravan occupies from fifteen to thirty days, and by camels thirty days and upward.

TRADE OF HARRAR.

The total foreign trade of Harrar for the fiscal year 1908-9 amounted to \$1,871,836, of which the imports were valued at \$876,262 and the exports at \$995,574. The leading articles imported were: Sheetings from the United States, worth \$255,491; white tobies and footas (cotton wearing apparel), \$80,297; yarn, \$153,295; salt, \$29,199; and sugar, \$20,439. The principal items exported were as follows: Coffee, valued at \$603,835; skins, \$270,578; hides, \$36,986; butter, \$46,719; and ivory, \$12,653.

The coffee shipped from Harrar was of two kinds—the Harrari, which is of superior quality and about the same as Mocha, and the Abyssinian, which grows wild. The exports of skins were exclusively to the United States, all being shipped by the way of Aden, Arabia.

BELGIAN KONGO.

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL MILTON B. KIRK, BOMA.

The foreign trade (special commerce) of Belgian Kongo during 1908 was valued at \$13,501,908, of which the imports for consumption amounted to \$5,131,152, and the exports of domestic products and manufactures \$8,370,756. The total trade in 1907 amounted to \$16,226,778, the imports being valued at \$4,860,087 and the exports \$11,366,691.

The value of the imports, by countries, in 1908 was as follows:

Country.	Value.	Country.	Value.
United States.....	\$14, 197	Netherlands.....	\$110, 739
Austria-Hungary.....	37, 903	Portugal.....	45, 812
Belgium.....	3, 808, 577	Portuguese possessions (seacoast).....	128, 243
British possessions (east coast of Africa).....	14, 864	Sweden.....	5, 622
Denmark.....	48, 082	Switzerland.....	11, 012
Egypt.....	15, 788	United Kingdom.....	466, 796
France.....	204, 440	All other countries.....	16, 463
Germany.....	197, 508		
Italy.....	6, 119	Total.....	5, 131, 152

The value of the articles of import entered for consumption during 1908 is shown in the following table:

Articles.	Value.	Articles.	Value.
Arms and ammunition	\$216,452	Iron and steel, manufactures of—Con.	
Boats, machinery, etc.	283,369	Locomotives	\$4,334
Canned goods	588,453	Machinery and tools	258,539
Cement	21,176	Rails, steel	122,145
Chemicals, etc.	466,745	Sheets, iron	22,130
Coal (briquettes)	69,753	Matches	6,574
Cordage, nets, etc.	7,676	Paints and varnish	21,454
Cotton, manufactures of:		Soap	30,213
Cloth—		Vehicles (wagons)	25,947
Bleached	243,349	Wire (brass and copper)	66,791
Unbleached	94,856	Wood, and manufactures of:	
Other	149,314	Furniture—	
Prints	1,265,196	Household	41,699
All other	69,041	Office and fixtures	53,198
Flour, starch, etc.	92,516	Wood and woodwork	49,188
Instruments, scientific	19,906	Wool cloth	539,621
Iron and steel, manufactures of:		All other articles	16,350
Hardware, including machetes, mirrors, etc.	284,868	Total	5,131,152

The value of the exports of domestic produce, by articles, in 1907 and 1908 was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cocoa	\$203,262	\$189,047	Nuts, palm	\$403,151	\$336,700
Coffee	17,508	8,966	Oil, palm	291,120	235,543
Copal	393,303	346,120	Rubber	8,488,669	5,938,707
Copper	4,549	23,843	All other articles	23,787	10,265
Gold	303,266	135,870	Total	11,366,691	8,370,766
Ivory	1,238,076	1,145,095			

The imports of merchandise from the United States can not be accurately stated, as a number of articles of American origin are not imported direct and are thus accredited to other countries. The imports for consumption from the United States in 1908 were valued at \$14,197, the greater part of which are consigned to the American mission here.

The annexation of this country by Belgium has not affected trade for the better. In the lower Kongo trade is at a standstill, and there does not appear to be any sign of immediate improvement. The upper Kongo is still in the hands of the large concessionary companies in which the State is greatly interested, and there appears no chance in that vast territory for independent trading. The freight rate on the railroad and river boats is very high. Above Stanley Pool money is hardly known. The natives there have little purchasing power, as they are paid in trade goods.

BRITISH WEST AFRICA.

GAMBIA.

PREPARED IN THE BUREAU OF MANUFACTURES FROM BRITISH OFFICIAL SOURCES.

The total foreign trade of Gambia in 1908 was valued at \$3,722,279, a decrease of \$432,909 from the previous year. The imports amounted to \$1,901,536 and the exports to \$1,820,743 in 1908, while the imports and exports were valued at \$2,167,340 and \$1,987,848, respectively, in 1907. The imports showed a decrease of \$265,804 and the exports \$167,105.

The principal articles imported into the colony during 1907 and 1908, respectively, were as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cola nuts.....	\$194,378	\$193,658	Salt.....	\$10,760	\$6,707
Cotton goods.....	399,165	335,161	Spirits and wine.....	34,202	35,207
Gunpowder.....	2,443	2,153	Sugar.....	22,664	43,544
Rice.....	349,848	183,779	Tobacco.....	40,144	28,893

The decrease in imports was due principally to the smaller receipts of cotton goods and the decrease in the quantity of rice brought into the colony. Of the total imports, exclusive of specie, 53.5 per cent came from the United Kingdom, 37.5 per cent from France, 4 per cent from Germany, and 5 per cent from all other countries.

The leading articles of export in 1908 were as follows: Groundnuts, valued at \$1,192,702; hides, \$32,425; palm kernels, \$16,975; wax, \$14,775; and rubber, \$5,660. France was the largest purchaser of Gambia products, taking 73.5 per cent of the total shipments, while the United Kingdom took 16.5 per cent, the remainder being distributed among other countries.

A small quantity of cotton is grown in the colony, which is made into native cloths known as pagns. The weaving is primitive, looms of an ingenious kind being used, and the cloth woven is in long strips. Pottery is made in the Upper River province. A considerable amount of leather is produced from goatskins, which are not exported, but utilized by the natives in making bags, slippers, sandals, scabbards, saddles, etc., and the skillful manner in which colored grasses, silk, and cotton are laced through the decorative portion of the leather work is most ingenious.

The groundnut is the staple article of cultivation. They pay the producer on an average \$20 to \$25 per acre, and beyond the sowing of the seed and an occasional weeding give the farmer little trouble. The government issued during 1900 over 500 tons of seed nuts to the people for planting.

GOLD COAST AND ASHANTI.

PREPARED IN THE BUREAU OF MANUFACTURES FROM BRITISH OFFICIAL SOURCES.

The total foreign trade of the colony, which comprises the Gold Coast, Ashanti, and the Northern Territories, in 1908 was valued at \$22,165,044, against \$24,370,794 in 1907, a decrease of \$2,205,750. The imports in 1908, including specie, amounted to \$9,876,304 and the exports to \$12,288,740, against imports of \$11,515,087 and exports of \$12,855,707 in 1907.

The imports, by countries of origin, in 1907 and 1908 were as follows:

Country.	1907.	1908.	Country.	1907.	1908.
United States.....	\$188,499	\$117,399	Netherlands.....	\$505,410	\$470,946
Africa (foreign).....	329,477	512,091	United Kingdom.....	8,556,840	7,183,587
British colonies.....	591,348	273,643	All other countries.....	152,319	99,143
France.....	56,160	42,090			
Germany.....	1,135,034	1,177,805	Total.....	11,515,087	9,876,304

WHAT THE COLONY BUYS.

The principal articles imported into the colony during 1907 and 1908 are shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Ale and porter.....	\$38,076	\$48,656	Perfumery.....	\$145,042	\$124,432
Apparel, wearing.....	399,394	387,014	Provisions:		
Beads.....	109,642	157,572	Beef and pork.....	55,386	43,015
Brass and copper ware.....	19,131	28,980	Other.....	423,836	486,713
Breadstuffs:			Rice.....	204,456	271,123
Biscuits, etc.....	55,221	40,557	Salt.....	32,031	37,210
Flour.....	139,095	181,589	Silk, manufactures of.....	246,598	209,011
Building material.....	158,259	137,522	Soap.....	122,461	137,985
Carriages and carts.....	12,487	14,097	Spirits and wine.....	718,213	759,749
Coal.....	179,481	157,582	Tobacco:		
Coopers' stores.....	127,176	76,005	Manufactured.....	67,207	82,041
Cordage.....	106,104	119,132	Unmanufactured.....	158,658	172,104
Cotton, manufactures of:			Wood, manufactures of:		
Textiles.....	2,475,851	2,015,529	Furniture.....	100,756	99,218
Yarn and twist.....	132,115	134,155	Lumber.....	150,325	83,736
Earthenware.....	37,482	47,663	Woolen goods, including		
Gunpowder.....	23,971	32,961	yarn and twist.....	75,203	73,796
Guns and pistols.....	22,435	31,272	All other articles.....	1,630,615	1,738,166
Iron and steel, manufactures of:			Total.....	9,388,466	9,063,770
Hardware.....	263,341	299,702	Specie.....	2,126,621	782,534
Machinery.....	787,390	725,489			
Railway material, etc.....	24,649	9,242	Grand total.....	11,515,087	9,876,304
Oil, kerosene.....	133,591	160,152			

The import trade was seriously affected by the outbreak of plague at Accra and the consequent imposition of quarantine measures. Cargoes were in some cases overcarried, or landed at ports other than those to which consigned, involving costly delay and loss of markets. Other causes which contributed to a decrease in imports were the large stocks of cotton goods and lumber on hand from 1907.

CHARACTER AND VALUE OF EXPORTS.

The following table shows the value of the exports from the colony in the years 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Cocoa.....	\$2,506,681	\$2,631,905	Bullion and specie:		
Cola nuts.....	383,972	410,548	Bullion—		
Copra.....	30,104	31,584	Gold.....	\$5,667,896	\$5,607,936
Cotton, raw.....	4,701	5,699	Silver.....	209	370
Gum, copal.....	24,985	23,160	Specie.....	621,185	936,392
Lumber.....	824,668	770,396	Grand total.....	12,855,707	12,288,740
Oil, palm.....	581,392	630,383			
Palm kernels.....	495,517	378,716			
Rubber.....	1,621,129	818,273			
All other articles.....	93,268	43,278			
Total.....	6,566,417	5,744,042			

The quantity of cocoa exported rose from 20,956,400 pounds in 1907 to 28,545,910 pounds in 1908, or more than 36 per cent, yet the increase in value of shipments was only about 5 per cent. The production of cocoa is almost entirely in the hands of native farmers, and it is therefore impossible to estimate the area of land under cultivation. During the year 12,357 seedlings and a number of pods for seeding purposes were distributed from the various agricultural stations. The quantity of rubber exported fell from 3,549,548 pounds in 1907 to 1,773,248 pounds in 1908, due to the low prices ruling in England. The number of seedlings distributed during the year was 28,686, besides 1,973,020 seeds. The output of cola nuts during 1908 surpassed all previous records. It is exported chiefly by Mohammedans to southern Nigeria for conveyance to the reaches of the river Niger. Oil-palm products, which were formerly the principal articles of export from the colony, have had to yield to cocoa, because of greater returns in proportion to the labor expended.

There are practically no manufactories in the Gold Coast Colony or Ashanti, the only ones being a cement, brick, and tile factory, and an aerated water factory at Cape Coast. A certain amount of cotton cloth of good quality is woven by primitive methods in the colony, Ashanti, and Northern Territories, and baskets, pots, fishing nets, canoes, and various household utensils are made by the natives for their own use.

The fisheries of Gold Coast employ a number of natives and over 5,000 canoes, but no means exist of ascertaining the quantity or value of the catch. No fishing ever takes place on Tuesday, however favorable the climatic conditions. The day is sacred to the fetish of the sea, and is devoted to the overhauling and repairing of nets.

SIERRA LEONE.

PREPARED FROM A REPORT FURNISHED BY CONSUL WILLIAM J. YERBY, SIERRA LEONE, AND FROM BRITISH OFFICIAL SOURCES.

Trade in Sierra Leone during 1908 suffered a decline and at the close of the year there was a shortage of \$146,787 in the customs revenues. There being no industries in the country manufacturing goods for export, the Government is dependent almost solely upon the customs revenue for its upkeep. This depression of the trade of the colony is manifested in the very large falling off in the volume and value of its imports and exports, which was caused by the steady and continuous decline of the prices in European markets for the principal articles exported, especially palm oil and kernels.

The total value of imports in 1908 was \$3,552,243, against \$4,210,443 in 1907. There had been a steady increase from 1904 to 1908 in the imports of apparel, cotton goods, haberdashery, hardware, kerosene, lumber, provisions, spirits, sugar, and unmanufactured tobacco. However, during 1908 there was a falling off in volume in each of these imports, though a slight increase in the value of the kerosene, spirits, and unmanufactured tobacco. In the imports of cottons there was a decrease in value of \$129,302, while unmanufactured tobacco decreased 113 tons in volume but increased \$7,152 in value. The decrease in the imports of flour was 252 tons in weight and \$10,445 in value. The decrease in the value of the lumber imported was \$61,868, and imports of ale and porter, liqueurs, spirits, and wines declined \$61,233. The general decrease during the last five months of the year is partially explained by an increase in August in the duty on spirits. There was a decrease in the exports of palm oil of 126,360 gallons in quantity and \$71,530 in value, and a decrease of 1,221 tons in weight and \$559,057 in value in the exports of palm kernels. There was a slight increase in the exports of ginger, piassava, and native rice, but the amounts have little bearing upon the general trade of the country.

DISTRIBUTION OF TRADE.

Of the import trade in 1908, the United Kingdom furnished 70.16 per cent; Germany 11.45 per cent, and all other countries 18.39 per cent. The direct imports from the United States during 1908 amounted to \$115,738, or \$37,747 less than in 1907. This is a little more than 3 per cent of the import trade of the colony in 1908. There were no direct exports to the United States in 1908.

These figures, however, do not show the true condition of trade between Sierra Leone and the United States, as many goods of American origin, in transit through Liverpool, are recorded in the statistics as imported from the United Kingdom. The imports into and exports from Sierra Leone, by principal articles, are shown in the table on page 731.

Articles.	Value.	Articles.	Value.
IMPORTS.		IMPORTS—continued.	
Apparel.....	\$71,267	Sugar.....	\$31,073
Beads.....	30,106	Tobacco, and manufactures of:	
Boots and shoes.....	26,436	Raw.....	246,514
Breadstuffs:		Manufactured, including cigars.....	23,639
Biscuits and crackers.....	13,987	Wood, manufactures of:	
Flour.....	71,554	Furniture.....	17,626
Cement.....	26,689	Lumber.....	29,677
Cotton goods.....	1,191,064	All other articles.....	1,061,647
Drugs and medicines.....	22,916	Total.....	3,552,243
Glassware.....	6,543		
Haberdashery.....	83,483	EXPORTS.	
Hats and caps.....	50,912		
Iron and steel, manufactures of:		Ginger.....	57,752
Hardware.....	112,406	Gum, copal.....	24,072
Pots, iron.....	15,487	Hides.....	11,686
Sheets for roofing.....	13,865	Nuts:	
Oil, kerosene.....	50,251	Cola.....	529,774
Perfumery.....	30,504	Palm (kernels).....	1,619,495
Provisions:		Oil, palm.....	177,334
Bacon and hams.....	8,266	Piassava.....	41,975
Butter.....	22,184	Rice.....	35,067
Lard.....	15,519	Rubber.....	45,595
Salt.....	71,598	Seeds, benne.....	9,234
Soap.....	16,006	All other articles.....	290,937
Spirits and liqueurs:		Total.....	2,842,911
Geneva.....	106,860		
Rum.....	65,439		
Whisky.....	25,736		

AGRICULTURAL DEVELOPMENT.

Progress in the agricultural development of Sierra Leone is impeded by the absence of a properly organized department to look after the farming interests. However, through the efforts of the Government, there has been considerable interest taken in agriculture. At the experiment farms at Yamadu and Batkann it has been shown that by deep hoeing and rotation of crops, rice can be obtained without letting the land go back into bush. At Kennema a nursery for rubber and cacao has been established with satisfactory results. Cola plantations of 5 and 10 acres have been established at Mano and Moyamba by the different chiefs. These plantations are under the supervision of the Government. One-half of the nuts goes to the natives; the other half to the Government, which uses its share for planting in the cola district. The cultivation of ginger affords another example of the difficulty of effecting improvements in agriculture in the absence of a department. It is essential to the quality of the ginger that it be kept dry. Owing to carelessness, the natives often let it get moldy, in consequence of which it has brought in the European market only one-third the price obtained for ginger from the West Indies.

Several kinds of rice are grown in the colony and in time a considerable export trade should be worked up with other parts of West Africa.

BRITISH SOUTH AFRICA.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL JULIUS G. LAY, CAPE TOWN.

Trade in British South Africa during 1908 was unsatisfactory. The total imports declined \$10,154,443, from \$137,670,637 in 1907 to \$127,516,194 in 1908. Exports also dropped from \$235,501,507 to \$223,259,028. These figures show that there has been no recovery from the serious depression from which the country has suffered during the past five years, due to the Boer war, the excessive inflation and importation of goods which followed the close of the war, aggravated by the effects on the market of sales of surplus war stores, and the influence of the general depression which prevailed for the past two years in Europe and America, and which had a specially injurious effect on the export business of South Africa on account of the check to the diamond industry.

Unsatisfactory as are the trade returns for 1908, there are strong indications that the lowest point has been reached, and that an early revival may be confidently expected. In fact, every colony in South Africa is already enjoying prosperity except Cape Colony, where business is more or less at a standstill, but the Cape is bound to benefit sooner or later from improved conditions in the inland colonies. The improvement in business in Europe and America during the latter part of 1908 has already had a beneficial effect on trade conditions in South Africa. The diamond industry is slowly reviving and better prices are being obtained for other articles exported. Agriculturists have had a good season, with the result that many food products formerly imported are now produced in the country, and corn and oats have been exported.

INCREASED GOLD AND COAL EXPORTS.

The gold output was again larger than in any previous year. Amalgamations and substantial reductions in working costs have been effected, which have made it possible to work properties formerly regarded as unprofitable and increase the dividends on others, which has tended to restore confidence and further encourage foreign investment in the gold-mining industry. This enormous industry, which produces one-third of the gold output of the world, will, in 1909, it is estimated by the chairman of the Chamber of Mines, crush from 3,250,000 to 3,500,000 tons of rock more than during 1908, while new equipment is planned to the extent of 1,525 stamps and 64 tube mills. In 1910, the chairman estimates that the quantity of rock put through the mills will be even greater than ever. This means not only an immense increase in the gold output, but an increase of probably \$15,000,000 in the demand for stores required for the mines, already amounting yearly to between \$35,000,000 and \$40,000,000.

Natal increased her export of coal as cargo from 334,722 tons in 1907 to 451,109 tons in 1908, and as bunker coal from 669,970 tons in 1907 to 709,974 tons in 1908. The total exports of coal amounted to 1,161,083 tons in 1908 as compared with 1,004,692 tons the year before.

UNION OF SOUTH AFRICAN COLONIES.

The union of the colonies of British South Africa, which has been so necessary to the political and commercial welfare of its people, is now regarded as an accomplished fact. South Africans hope that this union will give them a general uniform customs tariff and obliterate the artificial divisions between the colonies. One of the delegates to the closer union convention summed up the situation as follows: "The inevitable result of the adoption of a closer union will be cheaper money, more population, more people to consume the products of workshop and farm, more development." All the permanent benefits from union may not be felt for several years, as capitalists may not venture to invest in enterprises in South Africa until the questions of tariff and railway rates are settled, but there is already a better spirit of confidence evident among the people that augurs well for the future. The returns for the first three months of 1909 were exceedingly encouraging. The imports into the Transvaal alone during this period showed an increase of \$3,250,000, owing to the influence of the recent great development in the mining industry. Specie in large quantities is beginning to flow into the country, amounting in the first three months to \$3,130,478, or \$1,459,950 in excess of last year.

IMPORT TRADE DECLINES.

The import trade, which is the most important feature of the South African commercial situation to American manufacturers, was in 1908 again more unsatisfactory than during the previous year. The value of the imports during 1908, including merchandise, specie, and imports for the South African governments, amounted to \$127,516,194, against \$137,670,637 during 1907, or a decrease of \$10,154,443. This decrease was due chiefly to increased local production of foodstuffs and miscellaneous articles that were formerly imported. About 50 per cent of the falling off can be accounted for in this way, and the remainder may be attributed to retrenchment of government and mercantile staffs and the reduced spending power of the population.

The principal decreases in imports of foodstuffs were in condensed milk, fruit, meat, and cheese. Only \$2,252,449 worth of meat was imported in 1908, as compared with \$4,420,787 in 1907, and, with the increasing herds of cattle, meat will in a few years probably be exported instead of imported. No less than \$5,500,000 worth of foodstuffs are imported to-day that could be produced in South Africa, but, as in the case of meat, while these figures will be gradually reduced each year, South Africa will depend for some time on other countries for a great deal of her food. Domestic candles, cement, canned and dried fruits, furniture, saddlery, harness, common soap, oatmeal, confectionery, vehicles, and a few minor articles are now rapidly displacing the imports, but South Africa manufactures practically nothing else that she consumes.

The increased local production of foodstuffs will seriously affect the Argentine and Australian fresh-meat and the United States canned-fruit and meat trade, but it will strengthen the purchasing power of the farmers, and while imports of food should decrease, the demand for implements necessary to produce it should increase.

The decline in imports of mining machinery during 1908 was due entirely to the slump in diamonds from Kimberley, for the mining industry in the Transvaal has expanded enormously. Cape Colony's imports of machinery used in mining declined from \$1,809,408 in 1907 to \$870,465 in 1908, while the Transvaal's imports rose in the same period from \$2,413,876 to \$3,030,777.

Government stores were imported to the value of \$4,013,281 during 1908, all but \$423,386 coming from the British Empire. Of this amount the United States supplied only \$291,990, chiefly kerosene and lumber. In all contracts for these stores the South African governments allow a preference of 10 per cent to British-made goods, which practically excludes all American articles except noncompetitive. An order was recently given, however, to a Russian firm for rails for Cape Colony railways.

MERCHANDISE IMPORTS BY COUNTRIES.

In the following table is shown the value of imports of merchandise, not including specie and government stores, into British South Africa, by countries, during 1907 and 1908:

Country.	1907.	1908.	Country.	1907.	1908.
British Empire:			Foreign countries—Cont.		
United Kingdom....	\$71,890,152	\$66,872,012	Netherlands.....	\$1,740,372	\$1,790,906
Dominion of Canada....	1,927,528	2,055,249	Dutch East Indies.....	257,306	238,581
British India.....	3,875,588	3,672,236	Norway.....	528,400	516,457
Ceylon.....	585,980	700,780	Portugal.....	168,006	168,434
Hongkong.....	39,501	34,401	Madaira.....	34,649	24,775
Straits Settlements....	72,764	50,300	Portuguese East.....		
Australia.....	9,400,131	7,976,144	Africa.....	317,626	239,709
New Zealand.....	346,860	542,152	Portuguese West.....		
Mauritius.....	1,846,997	1,399,904	Africa.....	1,579	4,413
British West Indies.....	38,514	38,567	Russia.....	141,143	147,069
Northeastern Rhodesia.....	11,436	63,945	Spain.....	186,732	171,232
Other parts of British Empire.....	81,544	99,880	Canary Islands.....	7,047	7,976
Total.....	90,116,995	83,505,470	Sweden.....	1,525,935	1,761,916
Foreign countries:			Switzerland.....	471,428	445,532
United States.....	9,877,730	9,774,822	Turkey.....	150,088	132,217
Philippine Islands.....	25,739	18,614	China.....	244,255	155,304
Austria-Hungary.....	619,671	586,218	Japan.....	189,394	189,316
Belgium.....	1,404,978	1,396,320	Persia.....	30,606	22,863
Denmark.....	164,672	96,278	Slam.....	240,945	116,392
France.....	2,183,019	1,927,932	Egypt.....	59,318	30,342
Germany.....	9,623,951	10,386,381	Cuba.....	122,366	110,235
German East Africa.....	25,319	18,482	Argentina.....	2,240,118	1,207,183
German Southwest Africa.....	8,185	127,847	Brazil.....	1,457,332	1,644,006
Greece.....	83,256	76,073	Chile.....	939,848	925,414
Italy.....	666,764	699,948	Uruguay.....	42,309	57,896
			Other foreign countries.....	135,957	186,269
			Total.....	35,912,443	35,423,360
			Grand total.....	126,029,438	118,928,830

GERMANY'S SHARE INCREASES.

The United Kingdom supplied 56.2 per cent of the merchandise imported into British South Africa in 1908; Germany, 8.7 per cent; the United States, 8.2 per cent; Australia, 6.7 per cent; British India, 3.1 per cent; and Canada, Mauritius, Belgium, France, Netherlands, Sweden, Argentina, and Brazil, each between 1 and 2 per cent.

Germany's increase was due to the large imports of electrical machinery and plant for the Victoria Falls Electric Power Company

at Johannesburg, the capital for which was obtained in Germany upon condition that this plant be purchased in that country, after the promoters had failed to finance the enterprise in England. This increase in Germany's share of the trade of South Africa, which places it ahead of the United States, was due rather to the enterprise of German bankers than to the efforts of the merchants. The increase in Swedish trade was due largely to the development of the dairying industry in South Africa, in which Swedish dairy appliances principally are used.

In commenting on Germany's improved commercial position, the British and South African Export Gazette for June, 1908, says:

Fully half the purchases by South Africa from the United States are of a character distinctly noncompetitive with goods from the United Kingdom. So far as South Africa is concerned, America, almost equally with Great Britain, is losing trade to Germany, a fact which affects especially electrical, mining, and industrial machinery, hardware, and textiles, while in regard to foodstuffs the products of the United States are being gradually superseded by grain and flour from Australia and Canada. Germany is the only really aggressive rival of the United Kingdom in South Africa in purely competitive articles. Since 1904, the American share fluctuates, but that of Germany shows uninterrupted progress.

As an evidence of how highly South Africa's import trade is regarded by foreign countries, Germany, besides her consulates with well-equipped staffs established at the more important towns, has a special commercial attaché in the country. Canada's commercial interests are represented by trade commissioners at Durban and Cape Town, and the United Kingdom has recently appointed an energetic trade commissioner with headquarters at Cape Town, who is constantly traveling through the country and who has assistants at all important commercial centers; and other countries are making every effort to secure larger shares in this market.

The Elder Dempster Line, running from Canada to South Africa, has offered free passage to South Africa to Canadian merchants and travelers, and, in order to obtain return freights, offers to take sample shipments of South African produce to Canada and market them, charging freight only when such produce is sold.

IMPORTS FROM THE UNITED STATES.

The imports of merchandise, exclusive of government stores and specie, from the United States into British South Africa declined from \$9,877,730 in 1907 to \$9,774,822 in 1908. Cape Colony bought more than any other State, its purchases amounting in 1908 to \$5,549,119, including goods in transit; Transvaal, \$4,255,272; Orange River Colony, \$712,066. Although the imports into South Africa dropped during 1908, the share of imports from the United States increased from 7.8 per cent in 1907 to 8.2 the next year, which would seem to indicate without a further analysis of the figures that American merchants generally were advancing their position in respect to other countries in competitive articles. Unfortunately, such a conclusion can not be drawn. The increase in the share of the United States was due to the increased imports of kerosene oil—an increase not occasioned by an enlarged demand but to replenish stocks in Cape Colony. The returns for the first three months of 1909 paint a gloomy picture of American trade in South Africa. Although imports increased as compared with 1907, the United States' share dropped

during that period from 8.3 to 8.1 per cent, while that of Sweden rose from 1.7 to 1.8, Germany from 7.2 to 9.3, Great Britain from 54.3 to 57.3, and Belgium from 1 to 1.4 per cent.

IMPORTS BY ARTICLES.

The following table gives the principal imports of merchandise into South Africa and the imports from the United States during 1907 and 1908:

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Ale, beer, and stout.....	\$296,102	84	\$201,784	\$72
Animals.....	507,289	62,033	355,127	11,129
Apparel and slops.....	7,603,901	161,305	7,799,392	138,526
Arms and ammunition.....	1,040,019	23,958	1,015,302	13,820
Bags, not leather or paper.....	1,448,582	6,409	1,242,441	7,528
Blacking.....	138,310	5,961	158,496	4,413
Boats and launches.....	10,312	1,873	9,475	833
Books and other printed matter.....	1,784,963	34,532	1,612,641	33,535
Breadstuffs:				
Barley.....	38,600	14	15,524	.....
Corn.....	21,646	793	95,865	194
Flour—				
Wheat, and wheaten meal.....	3,016,120	300,438	3,331,912	345,236
Corn.....	52,679	35,126	45,309	30,639
Oatmeal.....	338,012	18,098	270,222	43,633
Wheat.....	4,059,089	96,585	4,194,251	648,584
Other.....	18,528	6,315	5,274	193
Brush ware.....	240,512	39,559	213,615	25,704
Candles.....	819,971	29,778	645,322	5,476
Canvas and duck.....	205,410	8,801	146,705	11,640
Caoutchouc, and manufactures of.....	96,818	7,012	135,078	21,334
Cars, carriages, etc., and parts:				
Axles, springs, etc.....	147,557	10,282	135,215	14,146
Bicycles and tricycles.....	594,262	4,170	573,945	3,163
Carriages, carts, etc.....	150,150	91,164	141,529	96,755
Cars—				
Motor.....	513,337	6,788	417,944	5,854
Power lorries.....	13,042	681	6,380	.....
Railway.....	534,239	408	161,966	467
Street.....	129,317	1,897	41,735	1,573
Motorcycles.....	58,641	.....	52,465	102
Other.....	123,098	43,039	68,349	23,989
Cement.....	561,759	.....	398,220	.....
Chemicals, drugs, etc.....	3,210,936	218,462	3,375,204	199,462
Clocks and watches.....	193,248	39,781	182,586	36,892
Coffee.....	1,821,477	1,649	1,865,202	401
Confectionery.....	641,223	17,689	561,258	11,323
Cordage, rope, twine, etc.....	198,187	28,880	197,496	26,678
Cotton, manufactures of:				
Blankets and rugs.....	1,184,501	379	1,351,076	175
Hosiery.....	1,443,004	25,845	1,649,986	38,693
Piece goods.....	4,996,499	6,462	5,150,265	7,630
Waste.....	87,850	1,124	109,535	219
Wick.....	28,215	165	31,058	141
Eggs.....	342,003	10,374	244,449	283
Electrical material:				
Cable and wire.....	361,357	8,477	541,169	4,190
Fittings, including posts.....	371,348	40,800	473,748	46,747
Extracts and essences.....	78,170	1,386	69,264	1,017
Explosives.....	1,061,544	68	1,074,317	4
Felt.....	22,502	13,002	28,858	14,857
Fish, preserved.....	660,174	84,195	666,890	76,593
Fruits and nuts:				
Fruit—				
Dried.....	213,298	50,300	161,368	24,610
Canned, etc.....	126,178	44,577	76,613	20,166
Nuts—				
Ground.....	47,190	7,114	70,067	10,730
Other.....	15,582	525	14,341	34
Glass bottles and jars.....	307,606	40,688	289,289	28,994
Grease, antifriction.....	190,002	52,290	199,283	67,225
Ink.....	55,321	1,916	51,472	1,405
Instruments:				
Musical, and accessories.....	532,745	49,958	476,230	41,681
Surgical.....	61,780	6,667	54,568	7,178
Other, including optical.....	36,751	2,116	46,100	4,204

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Iron and steel, manufactures of:				
Bar, block, ingot, etc.	\$759,008	\$189	\$904,166	\$9,961
Cash registers	32,274	31,972	7,109	6,895
Girders, beams, and columns	156,852	22,497	248,619	36,966
Hardware and cutlery	2,165,918	233,562	1,920,890	195,973
Hoop	44,231	1,781	34,199	1,537
Implements, agricultural	1,042,350	485,516	913,656	410,221
Machinery—				
Agricultural	457,786	165,611	362,943	121,550
Cranes and elevators	129,628	15,164	74,978	12,331
Electrical	760,152	166,276	1,307,424	176,819
Engines, fire	87,027	15,144	34,016	6,053
Locomotives	70,369	700	61,794	18,361
Manufacturing purposes	761,962	58,237	476,663	40,810
Mining	3,765,011	664,136	3,480,452	478,814
Printing and bookbinding	90,823	28,264	78,501	16,434
Presses, wool and hay	23,252	14,477	17,801	9,810
Sawing	14,594	1,581	13,061	1,250
Sewing	173,836	4,360	176,975	6,272
Water-boring	645,867	285,936	570,859	283,643
Other, and parts	1,594,065	121,793	1,500,069	105,792
Nails and screws	203,264	25,047	179,758	18,793
Plate and sheet	2,007,430	39,923	1,655,787	125,316
Picks and hoes, Kaffir	49,093	1,143	47,740	1,445
Rails	355,066	19,114	270,727	11,694
Standards, fencing	281,011	1,761	196,022	24
Stoves	229,611	60,583	163,251	56,222
Tanks	123,920	184	29,933	350
Tools	198,003	85,810	210,880	101,656
Typewriters and accessories	58,140	40,404	59,926	51,926
Wire, fencing	836,741	431,278	775,457	324,459
Lamps and lamp ware	160,326	33,019	151,844	27,524
Leather, and manufactures of:				
Boots and shoes	4,426,763	114,104	4,465,428	154,126
Saddlery and harness	203,205	2,744	163,567	1,956
Other—				
Manufactured	302,749	5,898	286,787	5,416
Unmanufactured	784,226	70,886	588,139	43,593
Oils:				
Cotton-seed	76,204	63,882	99,573	84,978
Engine and machine	402,323	298,335	418,592	317,076
Lard	29,456	28,532	19,490	18,327
Mineral	991,339	905,888	1,358,142	1,288,006
Salad	83,883	25,091	79,139	22,492
Other	23,845	9,397	19,665	4,691
Packing for engines, etc.	155,620	44,348	147,025	56,514
Paints	578,100	128,732	492,075	101,703
Paper, and manufactures of:				
Bags	120,825	16,234	124,392	14,463
Cards, playing	12,297	5,907	17,568	11,300
Printing	549,442	3,747	553,608	2,871
Wall	123,380	238	132,402	.....
Wrapping	196,178	1,581	233,149	1,090
Perfumery	141,464	18,463	151,445	19,981
Photographic material	181,155	38,007	155,762	31,622
Pickles and sauces	163,129	8,010	132,519	5,177
Provisions:				
Dairy products—				
Butter	1,719,431	374	1,861,991	53
Milk, condensed	2,087,499	178,069	1,671,134	87,343
Meat products—				
Bacon and hams	1,109,357	4,837	902,356	9,392
Beef	1,898,815	.....	491,663	.....
Drippings and fats	36,965	16,765	39,637	17,134
Game	13,747	.....	4,180	.....
Lard	238,842	200,168	207,517	168,916
Margarin	113,613	691	117,350	374
Meats—				
Salted or cured, n. e. s.	11,197	4,156	10,312	5,971
Tinned, etc.	401,296	231,893	372,223	218,588
Pork	72,754	13,178	8,203	8,024
Poultry	150,311	1,455	60,719	4,379
Stearin	31,749	7,406	41,764	7,961
Tallow	72,248	316	108,036	24
Railway materials n. e. s.	202,757	583	71,216	150
Resin	23,723	23,354	23,466	21,787
Seeds	145,585	6,501	131,629	3,708
Sheep dip	466,579	27,685	356,099	55,813
Shoemakers' materials, not leather	61,921	.....	82,905	1,221

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Silver plate and plated ware.....	\$496,465	\$18,225	\$425,726	\$5,294
Soap.....	1,090,900	37,812	1,094,767	45,744
Sporting goods.....	296,223	8,696	291,260	11,061
Starch.....	100,507	1,932	111,963	2,321
Tar.....	27,437		32,303	
Tin, plate and sheet.....	110,527		98,244	
Tobacco, and manufactures of.....	779,013	163,278	741,731	197,335
Toys and fancy goods.....	357,094	8,350	367,230	10,258
Vegetables:				
Beans and peas.....	141,551	6,418	144,583	4,141
Other, tinned, etc.....	145,615	17,996	107,004	9,825
Wax.....	981,046	635,637	884,417	370,642
Wood, and manufactures of:				
Boxes.....	195,424	2,163	225,732	2,034
Furniture and cabinetwork—				
Bedsteads.....	192,071	2,413	171,763	2,067
School and church furniture.....	111,652	18,097	53,507	11,528
Other.....	1,037,955	18,358	815,012	88,131
Houses and frames.....	183,165	70,603	164,137	57,823
Planed and grooved.....	572,884	83,998	515,844	84,718
Sleepers, railway.....	74,837	15,718	58,641	
Staves.....	43,156	25,262	42,834	38,897
Other—				
Manufactured.....	224,696	72,403	191,734	63,940
Unmanufactured.....	1,472,655	508,914	1,478,573	440,203

WHEAT, FLOUR, AND OATMEAL.

Many of the principal articles imported into South Africa varied in their source of supply from one country to another during 1908, showing that the competitive trade in some articles lost by the United States was captured by other countries, and vice versa. While the share of the United States in the total imports of flour and wheaten meal rose from 9.9 to 10.3 per cent, imports from Canada increased from \$870,850 in 1907 to \$925,720 in 1908, and from Australia from \$1,801,826 to \$2,055,021. Bakers are learning that they can make better bread, give better satisfaction, and get more profit by using American and Canadian hard-wheat flour in mixture with the soft Australian and African grown flour. Imports of Canadian wheat increased from \$25,150 in 1907 to \$232,945 in 1908, Australian wheat declined from \$3,379,818 to \$2,798,189, and Argentine wheat decreased from \$562,134 to \$513,547, but the share of the United States in this trade rose from 2.3 per cent in 1907 to 15.4 per cent in 1908. More milling is being done in South Africa than ever before, and better equipment is being installed. In order to increase their output, many of the millers have established bakeries and control others financially so as to be able to dictate what flour shall be used, which prejudices the imported article.

Oatmeal imports from the United Kingdom increased from \$139,279 in 1907 to \$146,924 in 1908; and those from Canada declined from \$180,411 to \$79,266, but shipments from the United States increased from 5.3 per cent of the whole to 16.1 per cent. The large decrease in total imports can be attributed to increasing local production of oatmeal. The capacity of the mill in Cape Colony is said to be 400 tons per month. The increase in imports from the United States is said to have been caused by the inability of the Canadian mills to supply demands for a short period during 1908, when American oatmeal was bought.

DRIED AND CANNED FRUITS AND VEGETABLES.

The trade of the United Kingdom in dried fruits decreased from \$8,546 in 1907 to \$5,265 in 1908; that of Australia, from \$7,927 to \$6,565; Greece, from \$68,759 to \$60,198; Spain, from \$20,122 to \$15,437; Turkish Empire, from \$36,635 to \$33,764, and the United States lost \$25,690 in comparison with the earlier year. The total production of such dried fruits as prunes, apricots, peaches, and pears is increasing and is steadily retarding imports. The government of Cape Colony employs an expert to give information to fruit growers in regard to the latest methods of drying and handling fruit for the market. The decrease in bottled and tinned fruit, imports of which from the United Kingdom declined from \$35,613 in 1907 to \$25,549 in 1908, and from Australia, \$27,827 to \$18,166, was also due to increased local production. The custom of putting up fruit in season for the household is becoming more common.

South Africa was for many years one of the best markets for American canned and dried fruits, but since the establishment of large preserving works in various parts of this country, and since the drying of fruit has become more common among growers, the local products have rapidly replaced the imported article. It is now stated by dealers in Cape Town that there is no call for American canned fruits of any kind; in fact, old stocks on hand are sold only at a loss. American canned vegetables, including tomatoes, sugar corn, peas, baked beans, and asparagus, have until recently commanded a fair sale in Cape Town. French peas are now said to be preferable in price and quality and are being sold instead of American. Tomatoes locally canned are so satisfactory in price and quality that scarcely any are now imported. The other canned vegetables mentioned are imported to a considerable extent, and those from the United States command a large portion of the sale. The very low price of American dried peaches, 10 cents per pound, c. i. f. Cape Town, has of late made it possible to sell them in this market, but the local supply of all other fruits except apples, prunes, and apricots is sufficient and the quality good enough to make it impossible for American products to compete.

LARD, BACON, HAMS, AND CANNED MEATS.

Imports of lard from the United Kingdom increased from \$34,002 in 1907 to \$36,805 in 1908, owing to a demand in South Africa for a special high-grade lard made in England. A small amount of lard is being produced locally. Imports of bacon and hams from the United States increased from 0.43 per cent of the total in 1907 to 1.04 per cent in 1908, while those from Denmark gained \$22,549, and imports from Canada rose from \$52,651 to \$99,895. Although bacon and hams are being produced locally, and projects are on foot to extend the production, the quality of South African pork does not enable manufacturers to turn out as good a product as the imported article. Pork in South Africa is cheaper than in the United States, but also inferior.

While imports of American canned meats declined in aggregate value, the share of the United States in the total trade rose from 57.7 to 58.7 per cent. Imports from the United Kingdom also decreased in value, from \$66,321 in 1907 to \$49,156 in 1908, but

Australian canned meats rose from \$25,101 to \$41,229. The decline in the total imports was due to a larger supply of locally produced fresh meat, which was cheaper than formerly. Australia's increase was chiefly in canned corned beef, its product being sold cheaper than the American.

The customs duty on canned meats is 2½ cents per pound, with one-half cent rebate on those of British manufacture. In order to save paying duty on full weights, net weights of contents must be embossed on top of cans and incorporated in the labels. The fact that an American firm recently received a contract to supply the British army for a term of years with canned beef should have a beneficial effect on trade here. The Australian packers can place their canned corned beef on this market 97 cents per case cheaper than the American article. It is said that about 20,000 cases of 1-pound cans of corned beef were received from Australia in 1908. This encroachment on American trade would have been even more serious had there not been large stocks of 2-pound cans of American beef in the country still unsold, which are now offered for only 49 cents per dozen more than the price of 1-pound cans recently imported. The popularity of well-known American brands has also limited the demand for Australian beef, but should high prices be maintained in the United States for any length of time the Australian packers may be able to reduce their cost of production to such an extent that the American corned beef trade in South Africa will be further diminished.

SWEETENED CONDENSED MILK IN DEMAND.

As the principal demand is for sweetened milk, which the American manufacturer has not offered in this market at prices competing with that produced in Europe, the share of the United States in the condensed milk trade fell from 8.5 per cent in 1907 to 5.2 per cent in 1908. Imports from the United Kingdom also decreased in value from \$1,488,827 to \$1,176,315, and those from the Netherlands fell from \$116,825 to \$63,055; but Germany increased its sales from \$87,587 to \$110,625 and Norway from \$109,900 to \$150,004. It is thought that the demand for unsweetened milk has declined because of the local production of fresh milk becoming larger and the price lower. This has seriously affected the trade of the United States, as the American manufacturer supplies only the unsweetened milk. Milk condensing is carried on to a limited extent in South Africa, and the government dairy expert of the Transvaal recommends condensereries, but at the present price of fresh milk it is not likely that condensed milk can be produced that can compete with the imported in price and quality.

Although the imports of condensed milk into British South Africa have declined steadily during the past three years owing to decreasing population, smaller purchasing power, and increasing local production of milk, the imports are enormous when the number of the white population is considered. Fresh milk is unobtainable in many parts of South Africa, and sells at from 9 to 18 cents per quart where it can be secured, so there is certain to be a steady demand for condensed milk, and it seems worth while for American condensed-milk companies to give this market more attention.

In 1906 sugar and sugar products were imported from the United States to the value of \$98,556, and in 1904 Cape Colony alone imported these articles from America to the value of \$307,327; but imports fell to \$15,709 in 1907 and \$2,886 in 1908. Mauritius supplied \$1,370,377 worth of sugar in 1908, a decrease, however, from the \$1,816,844 worth supplied in 1907; German shipments fell from \$132,899 to \$87,777; but Australia's sales rose from \$501,524 to \$886,009, and the United Kingdom increased its shipments from \$75,898 to \$78,068. It is claimed that Australian sugar commands a slightly better price than American, about 12 cents per hundredweight, owing to a more regular size of granules of the former and to the sweating of American sugar, causing lumpiness. This lumpiness is seriously objected to, and it is thought to be caused by its being shipped in extreme cold weather and then crossing the tropics.

FURNITURE, GLASS JARS, CARRIAGE PARTS, ETC.

While imports of school and church furniture from the United States fell off \$7,169 in 1908, the share of that country in the total trade increased from 16.7 to 21.5 per cent. Imports from the United Kingdom declined \$39,000, notwithstanding that the style of English-made school furniture is preferred to the American style. Where this is the case, since there is also present a desire to patronize the British manufacturer whenever possible, there is little chance for increased business for American goods unless prices are more favorable. The decline in imports of other furniture is due to local manufacturers supplying the demand to a greater extent. The bulk of the miscellaneous furniture now imported is of a cheap grade with which the locally-made article can not compete.

With a loss of \$11,694 for the United States and gains for other competing countries, it would appear that the latter are getting the trade in fruit jars formerly enjoyed by the United States, which trade is increasing on account of the growing inclination of the people in South Africa to put up fruit.

Although the demand for imported carts and carriages declines as the local manufacture increases, there is a steady call for the parts which are not produced in South Africa and which can be supplied by the United States at competing prices, such as springs and hubs.

In the fencing-wire trade the share of the United States has declined from 51.5 to 41.8 per cent. Imports from the United Kingdom fell from \$300,166 in 1907 to \$265,073 in 1908, but Canadian shipments rose from \$5,952 to \$30,235, and Germany increased its sales in South Africa from \$76,438 to \$127,595. It is said that foreign wire is sometimes sold as American wire in this country. American rolls of wire should be so marked that the merchant can not remove the labels or in any way make it impossible for the purchasers to identify it.

The United Kingdom suffered a loss of \$40,071 in sales of stoves, and imports from Sweden declined from \$29,286 in 1907 to \$18,736; but while imports from the United States also decreased \$4,361 the share of the latter country rose from 26.3 to 34.4 per cent. The trade in kerosene stoves for both heating and cooking purposes has enabled the United States to maintain, and even increase, its share of the total imports of stoves. At one time American coal and wood cook stoves were used largely, but they have been supplanted by those of the

same pattern made in England and Sweden, and England has secured an extensive trade in gas stoves, which are generally used where artificial gas is obtainable.

MACHINERY AND OTHER IRON AND STEEL.

The decline of \$128,694 in the total imports of agricultural implements into South Africa is surprising when taken into account with the continued prosperity in agriculture in all the colonies and the enormous increase in exports of Kaffir corn, oats, and corn meal. Orange River Colony, Transvaal, and Rhodesia increased their imports, while those of Natal and Cape Colony decreased largely. The United Kingdom and the United States lost in the implement trade, the share of the latter declining from 46.5 per cent in 1907 to 44.8 per cent in 1908, while Germany gained 1 per cent in her relative proportion of the total imports. The increase in imports from Germany of iron girders, beams, and columns from \$924 in 1907 to \$127,044 in 1908 was due to the erection of the Victoria Falls power plant, the contract for which went to Germany. An increase from \$42,884 to \$227,742 in imports of electrical material from Germany was due to the same cause. Imports of German corrugated plate and sheet iron rose from nothing in 1907 to \$10,356 in 1908, but during this same period the United States increased its sales by \$27,890. In electrical machinery, while imports from the United States showed a gain of \$11,543, the relative share decreased from 21.7 to 13.5 per cent. Germany's increased sale of these goods was attributable to the erection by German capital of the power plant previously referred to.

The United Kingdom supplied the larger part of the mining machinery imported, though the imports from that country declined from \$2,776,358 in 1907 to \$2,512,097 in 1908, and the United States lost 3.9 per cent in relative share of this trade. Germany almost doubled its sales, the mining machinery imports from that country in 1908 being valued at \$456,473 as compared with \$237,397 in 1907.

While imports of water-boring machinery from the United States fell off \$2,293, the share of the American manufacturers in this trade increased from 44.2 to 49.6 per cent. Every effort should be made to extend sales of this class of machinery, as an increased number of wells will be sunk.

PAPER, SOAP, SHOES, TINWARE, AND TOBACCO.

The preferential tariff in favor of Canada has enabled that country to get much of the trade in plain paper formerly held by the United States. This market has never been properly exploited by an American wall-paper manufacturer with designs and sizes to suit the local trade.

Decreased imports of common soap were attributable to increased local production. It is stated, however, that competition is so keen and imported soap so cheap that two South African soap factories have recently been compelled to close. As no toilet soaps are manufactured in the colonies, the field is a good one for the foreign article.

The introduction of American-made shoes for ladies and children probably caused the \$40,023 increase in imports from the United States, and there is still a good field for an extension of this trade, as

American shoes for women are becoming more popular. The United Kingdom at present supplies by far the larger part of the leather footwear imported.

The importation of manufactured tinware has been greatly affected by the opening and extending of local factories for making all sorts of tinware from imported sheet and plate tin. South Africa as a market for tin plate is becoming more important.

The increase of \$41,146 in imports of unmanufactured tobacco from the United States is thought to be directly due to increased demand in South Africa for cigarettes, most of which are now made locally. This necessitates using more imported tobacco, as that grown in this country is not of high enough grade for cigarettes. The Dutch East Indies and Turkey also increased their sales of leaf tobacco.

VEHICLES, CANDLES, COTTON UNDERWEAR, AND BLANKETS.

Practically nothing is being done in any part of South Africa in tramway extension, and the material imported is principally for repairs and renewal of old lines. The local production of carts is increasing. There is a good market for light buggies and carts of American make, with which no local products compete. The demand for motor cars of moderate price is increasing. Taxicabs have been found very profitable to their owners in Cape Town.

The bulk of the antifriction grease imported is of a very cheap grade. Although the United States increased its relative share in the binding-twine trade from 42.6 per cent in 1907 to 48.1 per cent in 1908, Canada increased from 22.2 per cent to 33.6 per cent by supplying a satisfactory twine at a lower price. The decrease in imports of brush ware is probably due to the local production of the lower grades of brush ware, which are being manufactured here from imported material.

The local production of candles is causing a steady decrease in imports, and there was also a decrease in imports of paraffin wax for candle making. The United States lost heavily in the latter item, although imports from the United Kingdom also declined from \$34,090 in 1907 to \$17,971 in 1908; but Germany increased its sales from \$1,951 to \$52,296 and India moved up to second place with shipments valued at \$263,448, against \$98,152 the year before.

In spite of the large decrease in the total imports of canvas and duck, the United States increased its share of this trade from 4.3 per cent in 1907 to 7.9 per cent in 1908. Local dealers state that, although there is no advantage in the price, the American cotton duck is preferred because it is better woven, and works up with less waste. There is a large trade in cotton blankets and rugs, principally with the natives, who demand a very cheap article, but the United States had only .03 per cent of this trade in 1907 and but .01 per cent in 1908. There is an increasing demand for American fleece-lined underwear in the mining districts of the Transvaal, but the United Kingdom, Germany, and Italy each supplied a larger part of the total imports than did the United States. In flooring and ceiling lumber, Sweden supplied 76 per cent in 1908, while the United States furnished 6 per cent.

EXPORT TRADE.

The total value of exports from South Africa declined from \$235,501,507 in 1907 to \$223,259,028 in 1908, as is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals:			Hair, Angora (mohair) ..	\$4,009,515	\$3,455,687
Cows, oxen, etc.	\$47,267	\$8,744	Hides and skins:		
Horses	84,409	56,490	Ox and cow	985,145	1,012,485
Mules	18,755	10,896	Goat	1,212,259	929,297
Pigs	30,260	25,320	Seal	40,124	25,048
Sheep and lambs	18,020	14,229	Sheep	2,362,223	1,822,523
Other	11,060	16,237	Other	15,124	8,511
Asbestos, raw	38,289	108,172	Horns:		
Bark	678,356	655,846	Ox and cow	29,661	33,072
Books, printed	16,642	11,767	Other	8,900	10,219
Boxwood	11,368	12,142	Ivory	11,231	18,775
Breadstuffs:			Leather, and manufac-		
Corn	897,119	1,009,137	tures of	12,543	13,440
Flour and meals—			Oils:		
Wheat	437	167,519	Whale		43,063
Other	8,993	21,704	Other, nonedible	7,397	2,837
Oats	157,993	532,570	Ores and minerals:		
Other	15,466	26,711	Copper, matte, and		
Carriages and carts	71,839	36,479	mica	1,237,429	762,429
Chemicals, drugs and			Iron, chrome	85,845	151,338
medicines:			Lead	189,343	48,387
Aloes	27,919	38,645	Tin	667,848	555,467
Argol	13,864	8,487	Tungsten	23,061	8,881
Buchu leaves	44,776	35,447	Zinc	159,134	8,550
Other	2,019	1,182	Other	12,108	8,311
Confectionery	9,790	10,492	Precious stones other		
Coal:			than diamonds	37,472	2,019
Bunker	2,625,982	2,892,526	Provisions:		
Cargo	250,639	838,571	Poultry, live	10,156	5,869
Copper, regulus and			Other	7,214	8,142
smelted	2,035,034	1,640,497	Soap	8,131	17,373
Curios	21,732	12,793	Spirits, wines, etc.:		
Diamonds	43,667,824	23,342,920	Ale, beer, etc	6,073	11,631
Eggs	12,964	13,349	Rum	18,838	47,753
Feathers, ostrich	8,960,355	8,459,884	Wines	23,970	27,095
Flowers and grasses,			Other	5,785	4,628
dried	128,158	85,889	Stationery	6,529	12,103
Fodder and forage	36,668	158,067	Sugar, and manufac-		
Fish:			tures of	2,164	24,182
Dried, salted, or			Tea	98,249	45,964
cured	37,014	84,063	Tobacco	22,257	22,258
Fresh	1,421	550	Tobaccoists' wares	17,256	34,172
Tinned, etc.	38,357	69,362	Vegetables:		
Fruits:			Potatoes	31,783	22,420
Fresh	115,331	182,806	Other	21,951	16,944
Dried, canned, etc.	30,215	4,072	Wool, raw:		
Gold:			In the grease	13,638,103	12,064,010
Raw, produce of—			Washed	54,723	61,419
Cape Colony	14,906	3,494	Scoured	1,536,242	1,356,031
Transvaal	133,170,395	144,121,684	All other articles, includ-		
Rhodesia	10,328,061	11,638,488	ing reexports	3,865,012	3,336,696
Swaziland		98,488			
Bechuanaland	99,242	98,245	Total	235,501,507	223,259,028
Concentrates and slag	566,840	677,996			

DIAMOND EXPORTS DECLINE—TRADE WITH THE UNITED STATES.

Diamonds alone accounted for a shortage of \$20,324,904 in the exports during 1908, for which the loss of the American market after the financial crisis was largely responsible. While the total exports of diamonds decreased in value, the decrease in carats was only 23,423. Exports of gold advanced some \$12,000,000. The declines in other articles, such as ostrich feathers, wool, mohair, and copper ore, were due to the reduced prices on the European market, as more of these goods were shipped in 1908 than in 1907.

The United States does not appear in the export figures as a large customer of South Africa, as it would if it were credited with the diamonds that are ultimately sold in America instead of their being mentioned in the returns as exports to the United Kingdom. It is estimated that the United States purchases two-thirds of the diamonds of the world.

The exports to the United States as compiled from consular invoices are more comprehensive than from the figures obtained from South African statistics. For example, the exports of ostrich feathers to the United States during 1908 are given by South African statistics as \$959,996, whereas consular invoices show that they were exported to the value of \$1,374,887. The exports of South African produce to the United States, as shown by the South African returns, in 1908 amounted to \$1,013,762, and, besides the ostrich feathers just mentioned, included diamonds valued at \$18,594; hides and skins, \$14,930; preserved fish, \$4,749; buchu leaves, \$4,730; wool, \$4,623; aloes, \$2,822, and curios, \$1,532. The declared value of exports to the United States, however, as shown by consular invoices, was as follows:

Articles.	1907.	1908.	Articles.	1907.	1908.
Chemicals, drugs, etc.:			Lobsters	\$14,285	\$28,661
Aloes	\$1,898	\$3,492	Oil, whale	8,341	4,500
Argol	2,096	449	Whalebone	18,670	28,170
Buchu	21,425	12,246	Wool	15,021	28,427
Curios	743	1,459	All other articles	4,109	1,940
Diamonds		20,542			
Feathers, ostrich	1,154,415	1,374,887	Total	1,520,574	1,677,220
Flowers, everlasting	3,596	3,596	Returned American goods	23,189	15,196
Hides and skins	269,388	146,739			
Household and personal effects	6,588	22,132	Grand total	1,543,763	1,692,416

THE TARIFF—TRAVELERS' LICENSES—PARCELS POST.

It is not believed that any change will be made in the South African customs tariff or in the preference allowed on British goods until the meeting of the first parliament of British South Africa about two years hence; and as South Africa is now in the transition stage and much will happen in two years to influence public opinion on the fiscal policy of the country, the opinion of the majority on this subject to-day might be that of a very small minority in two years. It is sufficient for American manufacturers to know that there are good reasons why the tariff and preference on British goods will not be disturbed for two years.

One of the greatest restraints to foreign trade in this country is the separate tax imposed by each of the South African Colonies on representatives of all foreign firms who come to this country to extend their business. The Cape Colony tax on representatives not domiciled in that State amounts to \$250 a year. While the tax in the other colonies is not so heavy, permission to transact business for one year in all of South Africa would cost over \$500. It does not pay American firms to send representatives here unless they cover the whole country. A uniform tax for South Africa will probably be established when union is accomplished, if the tax is not abolished altogether.

Another drawback to foreign trade, and an especial hindrance to American manufacturers who will persist in believing that they can establish foreign markets with catalogues, is the duty of 4 cents per pound on catalogues arriving in this country. The imposition of this duty has not resulted in the South African importer paying the tax, but in his refusing to accept the catalogues from the post-office authorities, by whom they are then destroyed.

The absence of a parcels-post convention between the United States and the South African Colonies is responsible for the loss of a very large American trade in this country. Merchandise shipped through the mails to South Africa in 1908 amounted to \$2,750,735, consisting chiefly of apparel, haberdashery, millinery, cotton manufactures, boots, shoes, jewelry, clocks, and watches, of which practically none came from the United States. American magazines, advertising many articles that can be sent by mail, are extensively sold here, and one American mail-order house has distributed catalogues in this country, but it is impossible to send a small package of merchandise from the United States directly to South Africa at a single postage rate.

RAILWAYS—BUILDING—IMMIGRATION—BANKING.

The only railway of importance contracted for and commenced recently in South Africa is the one from Broken Hill, Rhodesia, to Star of the Kongo, Kongo State, about 400 miles. It was originally intended that the Cape-to-Cairo railway line would pass from Broken Hill northeastward through northeastern Rhodesia, but the plan has been changed so that it will run almost due north from Broken Hill to the border of the Kongo State, then northwestward. The line will be of standard gauge.

The construction of government office buildings will be commenced at Pretoria, where the administrative capital of South Africa is to be located, in 1909 and material therefor will be required. For the same reason, office furniture and files will be in greater demand next year.

Statistics of passengers landing at and embarking from British South African ports during 1908 show that 45,857 men, women, and children were landed and 78,925 embarked, indicating a loss of population of 33,068.

At the close of 1907 the fixed deposits in South African banks aggregated \$83,566,856, and the floating deposits \$77,102,412, as compared with \$77,631,586 and \$80,959,313, respectively, in 1908. The loans and advances within Cape Colony decreased from \$46,873,777 at the close of 1907 to \$44,337,367 in 1908, while the loans and advances in all South Africa declined from \$128,505,085 to \$124,249,453. The growth of the floating deposits is a clear index of the revival in the north, and very much the same story is told by the figures bearing on the loans and advances within Cape Colony and in South Africa as a whole. Caution evidently continues to mark banking policy in Cape Colony; on the other hand, the expansion of business in the north has warranted a considerable extension of credit there, and since December the loans and advances throughout South Africa have increased by \$8,166,617.

CAPE COLONY.

By CONSUL-GENERAL JULIUS G. LAY, CAPE TOWN.

The import and export trade of Cape Colony diminished in 1908 to the extent of \$27,248,470. Imports fell from \$82,108,586 in 1907 to \$75,994,635 in 1908, and exports from \$57,203,050 to \$36,068,531. Imports of merchandise from foreign countries were valued at \$63,476,610 in 1908, against \$70,722,774 in the preceding year; imports from other South African colonies of merchandise originally imported from overseas amounted to \$2,097,564 in 1908 and \$1,763,700 in 1907; while the imports of South African produce, other than gold and silver, from other South African colonies increased from \$9,622,112 in 1907 to \$10,420,461 in 1908. The total imports of food and drink showed a falling off of 9 per cent, while the imports of these articles from the United States increased 71 per cent, principally on account of the larger demand for American wheat and flour. There were decreases in imports of agricultural implements, cement, hardware, and cutlery, iron manufactures, live animals, machinery, vehicles, and furniture, and increases in butter and butter substitutes, flour, nitrates for manufacturing, and mineral oils, all of these articles being of interest to the American exporter.

The main causes for the heavy decline in imports were the continued depression from which Cape Colony and the whole country have been suffering for the past five years; increased local production, particularly of foodstuffs, and a diminished population. Statistics show that 5,400 more people left the colony than entered it from abroad during 1908, which is a serious loss to a country with only 611,000 white population and with an area of 277,151 square miles.

IMPORTS BY COUNTRIES.

The source of the direct merchandise imports from overseas in 1907 and 1908 is shown in the following table:

Country.	1907.	1908.	Country.	1907.	1908.
British Empire:			Foreign countries—Con.		
United Kingdom.....	\$42,940,989	\$37,266,898	Netherlands.....	\$1,006,465	\$1,124,770
British India.....	1,241,055	989,817	Dutch East Indies.....	111,954	103,593
Ceylon.....	311,149	336,494	Norway.....	245,238	232,492
Hongkong.....	28,639	29,773	Portugal.....	85,193	75,893
Straits Settlements..	35,861	25,656	Madeira.....	29,379	20,415
Mauritius.....	1,470,544	1,178,793	Spain.....	80,628	76,136
Canada.....	883,737	1,034,162	Russia.....	74,117	46,819
British West Indies.	12,509	10,730	Sweden.....	673,134	762,799
Australia.....	5,187,874	4,510,991	Switzerland.....	340,747	335,954
New Zealand.....	53,351	137,289	Turkey.....	86,434	104,377
Other parts of British Empire.....	13,587	11,806	China.....	65,849	46,962
Total.....	52,179,295	45,532,409	Japan.....	110,888	93,403
Foreign countries:			Peru.....	21,383	10,254
United States.....	5,562,088	5,549,119	Sierra Leone.....	56,894	69,109
Philippine Islands.....	23,578	15,383	Egypt.....	21,112	12,200
Austria-Hungary.....	324,600	336,869	Cuba.....	80,350	62,963
Belgium.....	746,073	691,550	Argentina.....	1,140,430	724,534
Denmark.....	107,661	54,125	Brazil.....	1,195,402	1,304,519
France.....	1,261,771	1,080,655	Chile.....	445,723	611,057
Germany.....	4,103,627	3,742,966	Uruguay.....	17,140	13,562
German South-west Africa.....	8,127	127,638	All other foreign countries.....	105,411	71,632
Greece.....	42,115	34,460	Total.....	18,543,479	17,944,201
Italy.....	370,968	407,963	Grand total.....	70,722,774	63,476,610

While the imports from the United States decreased from \$5,562,088 in 1907 to \$5,549,119 in 1908, the relative share of that country in the total over-sea merchandise imports increased .9 per cent. The United Kingdom and colonies, which hold the bulk of the import trade of Cape Colony, lost in their relative share, and Germany also lost trade, but Sweden and the Netherlands gained. The increase of the share of the United States is attributable mainly to abnormal imports of kerosene oil, not to meet an increased demand, but to replenish reduced stocks.

IMPORTS BY ARTICLES.

The principal articles of merchandise imported from overseas during 1907 and 1908, and the share of the United States in this trade, are shown in the following comparative table:

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Ale, beer, and stout.....	\$300,073		\$212,656	
Animals, live.....	948,402	\$66,776	689,020	\$7,730
Apparatus, assay.....	23,038		34,031	
Apparel and slops.....	6,019,585	112,723	5,455,361	103,277
Arms and ammunition.....	471,943	16,685	375,248	9,005
Bags, not leather or paper.....	718,081	5,348	564,537	7,256
Basket ware and rattans.....	28,138	170	24,654	218
Blacking.....	95,442	4,579	133,492	3,650
Books and printed matter.....	1,369,052	25,062	1,154,937	28,700
Breadstuffs:				
Barley—				
Raw.....	36,659	14	17,914	
Pearl.....	17,392		19,583	
Corn.....	678,360	735	1,500,237	160
Flour—				
Wheat, and wheat meal.....	671,533	85,285	1,265,645	174,576
Corn.....	29,218	21,821	27,539	22,001
Oatmeal.....	207,512	9,806	162,784	27,360
Wheat.....	3,965,603	94,098	4,047,604	648,880
Other.....	13,829	890	3,955	23
Brush ware.....	141,143	20,313	131,152	16,449
Cakes.....	16,769	48	15,062	506
Candles.....	253,661	3,440	225,835	2,506
Canvas and duck.....	160,881	5,922	109,467	9,246
Caoutchouc, and manufactures of.....	54,836	4,506	71,425	11,927
Cars, carriages, etc., and parts:				
Axles, springs, etc.....	92,940	4,930	93,656	6,618
Bicycles and tricycles.....	473,111	2,360	396,904	2,418
Carriages and carts.....	148,895	72,900	85,962	47,516
Cars—				
Railway.....	46,947	48	3,854	190
Street.....	18,390	1,815	9,348	1,080
Motor.....	303,500	5,231	267,579	3,902
Motorcycles.....	26,094		27,861	92
Other.....	53,244	16,132	49,432	17,767
Cement.....	363,975		202,008	9
Chemicals, drugs, etc.....	994,859	149,724	888,973	126,990
Clocks and watches.....	145,824	22,030	124,359	27,149
Coal.....	1,132,969		1,011,702	
Coffee, raw.....	1,420,497	1,713	1,403,956	360
Confectionery.....	356,816	10,696	319,987	7,231
Cordage, rope, twine, etc.....	146,208	25,529	132,368	22,406
Cotton, manufactures of:				
Blankets, rugs, and sheets.....	832,030	63	861,161	9
Hosiery (underwear).....	1,245,901	25,130	1,288,216	31,277
Piece goods.....	4,135,975	4,516	4,136,177	4,190
Waste.....	31,189	1,124	56,495	219
Wick.....	12,696	102	7,193	44
Other.....	658,208	1,333	583,481	2,170
Eggs, fresh.....	311,431	10,365	224,248	
Electrical material:				
Cable and wire.....	139,347	8,028	106,007	3,650
Fittings, including posts.....	111,262	15,957	132,101	18,930
Explosives.....	718,329	68	907,080	

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Extracts and essences.....	\$43,457	\$1,051	\$32,304	\$686
Felt.....	13,319	6,453	16,434	5,340
Fish:				
Dried or cured.....	65,877		55,244	
Preserved, etc.....	327,598	49,745	306,049	42,032
Fruits and nuts:				
Almonds, groundnuts, etc.....	46,640	4,725	50,854	7,843
Dates.....	29,393		32,060	
Other, n. e. s.:				
Dried.....	97,733	25,081	78,127	11,645
Canned.....	46,557	16,940	27,861	6,997
Glass bottles and jars.....	181,155	28,075	160,711	12,298
Grease, antifriction.....	47,936	19,597	39,677	18,249
Ink.....	39,793	1,635	37,763	1,207
Instruments:				
Musical, and accessories.....	304,107	28,778	272,966	27,991
Surgical.....	58,991	5,762	55,366	8,176
Iron and steel, manufactures of:				
Bar, bolt, block, etc.....	220,359	165	190,576	2,539
Cash registers.....	36,055	31,433	10,594	10,429
Girders, beams, etc.....	80,160	9,460	47,171	2,560
Hoes and picks, Kaffir.....	13,261	83	12,112	146
Hardware and cutlery.....	1,342,963	125,283	1,040,764	102,615
Hoop.....	24,585	233	23,490	580
Implements, agricultural.....	747,805	352,636	599,762	281,585
Machinery—				
Agricultural.....	208,096	102,063	177,218	72,491
Cranes, elevators, etc.....	87,105	4,409	23,042	1,912
Electrical.....	458,453	149,304	252,235	159,665
Fire engines and appliances.....	36,986	4,214	20,736	4,647
Locomotives.....	40,338	700	22,269	
Manufacturing.....	327,817	48,032	167,797	18,852
Mining.....	1,809,408	530,463	870,465	310,098
Presses, wool and hay.....	17,295	12,088	12,293	7,786
Printing and bookbinding.....	77,782	26,809	71,664	12,743
Sewing.....	113,720	3,421	102,046	4,896
Water-boring.....	329,763	211,834	317,534	177,131
Other.....	258,367	30,985	271,969	32,770
Nails and screws.....	114,455	16,950	80,974	11,748
Plate and sheet.....	833,051	24,064	480,357	32,681
Rails.....	98,419		19,032	2,282
Standards, fencing.....	172,493	920	138,676	92
Stoves.....	134,281	29,549	80,813	22,342
Tanks.....	14,076	185	11,366	
Tools.....	101,296	48,032	86,176	48,227
Typewriters.....	50,592	43,832	55,638	50,081
Wire, fencing.....	561,871	267,935	597,543	235,543
Lamps and lamp ware.....	99,466	19,899	75,727	15,791
Leathers, and manufactures of:				
Boots and shoes.....	3,340,351	76,866	3,333,450	130,816
Saddlery and harness.....	153,601	2,204	122,616	973
Other—				
Manufactured.....	255,671	3,085	216,340	3,309
Unmanufactured.....	608,892	43,365	437,522	12,575
Mineral waters.....	30,182		25,451	
Oils:				
Cotton-seed.....	26,736	22,016	24,106	20,843
Engine and machine.....	130,543	96,313	99,471	74,375
Lard.....	26,555	26,318	14,595	14,521
Mineral—				
Paraffin.....	473,452	445,304	744,015	743,922
Other.....	23,748	21,865	30,021	28,683
Other, nonedible.....	12,609	7,081	4,857	2,277
Packing for engines.....	31,029	3,469	32,245	7,814
Paints and colors.....	312,963	64,860	253,749	50,199
Paper, and manufactures of:				
Bags.....	76,126	4,501	80,813	4,954
Printing.....	246,319	3,061	353,882	2,550
Wall.....	92,064	238	96,663	
Wrapping.....	115,326	1,192	148,662	837
Other.....	5,372	1,815	7,966	4,623
Perfumery.....	77,245	11,742	87,933	14,594
Photographic materials.....	133,295	28,021	109,491	24,264
Pickles and sauces.....	76,204	3,776	61,717	2,389
Provisions:				
Dairy products—				
Butter.....	666,515	340	824,996	53
Milk, condensed.....	1,077,326	43,633	779,000	28,849

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Provisions—Continued.				
Meat products—				
Bacon and hams	\$548,070	\$3,172	\$429,444	\$5,124
Beef	454,448	.....	60,826	.....
Dripping and fats	22,244	14,908	26,159	15,826
Lard	116,796	106,359	121,925	110,771
Margarin, etc.	66,203	253	65,546	301
Meats—				
Salted or cured, n. o. s.	10,735	1,066	8,316	2,253
Tinned, etc.	158,511	95,402	121,890	76,988
Mutton	157,129	.....	23,661	.....
Pork	31,106	6,010	8,263	8,010
Poultry	28,245	350	9,688	.....
Stearin	27,457	7,405	13,120	5,873
Tallow	13,421	9	43,958	19
Railway materials, n. e. s.	20,346	195	7,547	34
Seeds	101,432	3,460	96,876	1,907
Sheep dip	378,808	25,661	289,688	45,366
Shoemakers' and saddlers' materials, not leather.	45,141	516	66,378	1,017
Silver plate and plated ware	376,925	14,657	300,170	5,109
Soap and soap powders	715,841	19,620	667,727	29,412
Sporting goods	195,307	5,455	210,311	9,299
Starch	50,957	204	60,797	160
Tar and kindred substances	12,292	1,586	12,920	.....
Tin, plate and sheet	70,359	.....	68,364	.....
Tobacco, and manufactures of:				
Leaf	209,570	138,393	267,993	180,430
Cigars	193,394	2,740	177,316	1,158
Cigarettes	117,662	3,275	128,845	2,214
Other	301,470	6,375	288,257	6,137
Toys and fancy goods	188,820	5,450	165,421	5,771
Vegetables:				
Beans and peas	50,996	4,364	59,639	2,520
Tinned, etc.	55,896	8,589	38,255	6,331
Wax for candles	263,068	168,316	231,664	91,655
Wood, and manufactures of:				
Boxes	126,348	1,260	145,041	939
Furniture and cabinetware—				
Bedsteads	145,610	1,231	113,141	1,114
School and church	83,187	18,108	40,533	9,075
Other	755,898	93,456	526,135	56,660
Houses and frames	120,304	49,429	108,148	33,126
Planed and grooved	341,404	68,325	78,832	56,465
Railway sleepers	31,505	15,719	9,041	.....
Timber, etc.	562,022	189,899	438,997	80,936
Other	173,921	63,805	121,721	70,822

HEAVY DECLINE IN EXPORTS.

The value of the merchandise exported from Cape Colony, aside from goods in transit from other South African states, amounted to \$57,203,050 in 1907 and \$36,068,531 in 1908, a falling off of 37 per cent. The goods in transit exported in 1907 amounted to \$157,371,714, as compared with \$167,061,193 in 1908. The exports of diamonds produced in Cape Colony in 1908, as compared with 1907, showed a decrease of 61 per cent in value, but of only 33 per cent in quantity. The exports of asbestos increased from \$38,489 to \$100,722; dried and preserved fish from \$75,367 to \$151,090; fruit from \$117,764 to \$165,281; corn from \$63,478 to \$113,744; oats from \$157,874 to \$518,170. The exports of ostrich feathers decreased about 4 per cent in value, but increased about 6 per cent in quantity. Flour milled from imported wheat was exported in 1908 to the value of \$164,784, whereas in 1907 only \$403 worth was shipped.

There was a decrease in exports of Angora hair of 27 per cent in value and 4 per cent in quantity. Exports of goatskins decreased in

value 23 per cent, but increased 5 per cent in quantity. Sheepskins declined in value 23 per cent, but increased in quantity 8 per cent, and wool shipments lost 15 per cent in value, but gained 3 per cent in quantity. The loss in the total value of exports was due mainly to the decline in exports of diamonds from \$43,687,821 in 1907 to \$23,342,920 in 1908, caused by the decreased demand in the United States and to low prices obtained in Europe and America for Cape Colony staple products.

EXPORTS BY ARTICLES.

The value of the principal articles of South African produce exported oversea during 1907 and 1908 is shown in the following statement:

Articles.	1907.	1908.	Articles.	1907.	1908.
Animals:			Gold, raw:		
Bulls and oxen.....	\$40,966	\$2,180	Cape Colony.....	\$14,906	\$3,494
Horses.....	78,701	48,519	Transvaal.....	127,093,362	139,281,629
Mules.....	16,054	2,628	Rhodesia.....	9,935,485	11,230,899
Sheep and lambs.....	16,473	8,759	Bechuanaland.....	99,242	98,245
Other.....	51,117	48,256	Hair, Angora.....	4,450,886	3,225,136
Asbestos.....	38,489	100,722	Hides and skins:		
Books, stationery, etc.....	15,650	15,879	Cow and ox.....	467,422	442,019
Boxwood.....	11,368	12,142	Goat.....	1,198,263	922,659
Breadstuffs:			Seal.....	40,124	25,048
Corn.....	63,478	113,744	Sheep.....	2,194,421	1,686,300
Flour.....	403	164,784	Other.....	12,564	5,966
Oats.....	157,874	518,170	Horns, ox and cow.....	15,504	12,692
Other.....	17,192	16,390	Leather manufactures..	10,823	12,224
Carriages and carts.....	47,754	16,414	Ores:		
Chemicals and drugs:			Copper.....	774,858	394,916
Aloes.....	27,904	38,645	Tin.....	90,229	23,534
Argol.....	13,864	8,487	Spirits and wines.....	29,826	31,627
Buchu leaves.....	44,776	35,447	Tobacco.....	11,927	13,825
Other.....	1,922	1,031	Vegetables:		
Coal.....	56,373	107,000	Potatoes.....	15,694	8,506
Copper, regulus or smelted.....	2,035,034	1,640,497	Other.....	8,272	7,201
Curios.....	12,983	7,105	Wool, raw:		
Diamonds:			In the grease.....	10,691,827	8,997,355
Cape Colony.....	29,064,303	11,092,792	Washed.....	54,723	50,692
Transvaal.....	9,157,979	9,589,910	Scoured.....	1,372,479	1,197,100
Orange River Colony.....	5,394,636	2,640,013	All other articles.....	361,364	213,343
Rhodesia.....	70,903	20,206			
Feathers, ostrich.....	8,828,852	8,459,870	Total.....	214,574,764	203,129,724
Fish, dried and preserved.....	75,367	151,090	Reexports.....	1,878,361	1,209,335
Flowers, everlasting.....	127,740	85,884	Specie.....	48,825	521,426
Fodder and forage.....	15,879	109,331	Parcel post.....	127,779	110,304
Food and drink n. e. s.....	28,765	24,239			
Fruit:			Grand total.....	216,629,729	204,970,789
Fresh.....	87,699	161,378			
Dried, etc.....	30,065	3,903			

TRADE WITH THE UNITED STATES.

There were substantial increases in imports from the United States of binding twine, flour, wheat, oatmeal, cutlery, sewing machines, corrugated and galvanized plate and sheet iron, boots and shoes for women, kerosene oil, sheep dip, toilet soap, typewriters, unmanufactured tobacco, and staves. The articles in which imports from the United States decreased were medicinal preparations, fruits, sugar, electric wire and cable, manufactured sweets, furniture, glassware, cash registers, fencing wire, stoves, agricultural machinery and implements, water-boring, printing, and manufacturing machinery, paraffin wax for candles, and pine lumber.

From the American manufacturer's point of view, except perhaps in the case of mining machinery and other special supplies for the mines, the trade of British South Africa should be considered as a whole instead of that for each colony separately. The same customs tariff obtains in all the colonies; the same steamers carry freight to Cape Town, Durban, and Port Elizabeth, and the requirements of the people in all sections of British South Africa are similar. Merchants will rarely accept agencies except for the whole country, as the population is too small in one colony to make it worth while. Furthermore, the trade in a single colony, in the majority of articles, would not justify sending a representative here from the United States to exploit its market.

The prospects of Cape Colony offering the United States a wider field for its products during 1909 are excellent. Building will not be carried on to any extent, as there are sufficient houses and office buildings for a much larger population, and railway construction will be confined to completing short branch lines already commenced; but in almost every other direction there will be an increased demand for foreign goods, and American manufacturers should make greater efforts to secure a larger share of a market which all other foreign countries are exerting themselves to acquire.

The acreage under cultivation in proportion to the area of British South Africa is exceedingly small, but the land has proven so rich and fertile under irrigation that the government is doing everything possible to assist the farmer in this direction, and it is confidently expected that the production of all cereals will show an increase in 1909. Indications point to increased imports of modern agricultural and dairy implements and machinery. A larger number of wells will be sunk in 1909, requiring water-boring machinery and wind mills. Machinery for canning, bacon and ham, candle, and other factories will be required when the union of the colonies is established and a stable customs tariff is assured.

DECLARED EXPORTS—INDUSTRIES—SHIPPING.

In the following comparative statement is shown the value of the exports to the United States, as declared at the American consulate-general at Cape Town in 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Chemicals, drugs, and medicines:			Law publications.....	\$1,009	
Aloes.....	\$1,898	\$3,492	Lobster, canned.....	14,285	\$28,661
Argol.....	2,096	448	Wool.....		2,971
Buchu.....	21,425	12,246	All other articles.....	2,965	1,477
Curios.....	310	1,459	Total.....	124,120	97,899
Feathers.....	40,013	29,116	Returned American goods.....	18,328	10,706
Flowers, everlasting.....	3,596	3,576	Grand total.....	142,448	108,607
Hides and skins:					
Goat.....	33,336	13,924			
Sheep.....	3,188	529			

Within the past two years a factory has been established at Moorsburg, Cape Colony, for the manufacture of oatmeal, rolled oats,

pearl barley, compressed fodder, pig meal, etc. The machinery, imported from Canada, and the plant for this factory are said to have cost \$750,000. Until 1908 the dynamite factory at Somerset West, one of the largest producers of industrial explosives in the world, disposed of its output to the mines in South Africa, but an export trade is now being developed with Australia. The first shipment of 57,100 pounds, valued at \$11,037, was shipped during the first three months of 1909. This factory, it is estimated, will turn out about 10,000 tons annually. The planting of olive trees was commenced in the colony a few years ago, and, although the industry is still in its infancy, one farmer is reported to have produced 500 bottles of olive oil during 1908.

The condition of the wine and brandy industry, upon which so much of the prosperity of the western section of Cape Colony depends, is much depressed. Before the war wine sold at \$29 a leaguer (27 gallons), and brandy at \$97. To-day wine is being offered at \$10 and brandy at \$29, which is less than the cost of production.

During 1908, 999 steamships of 4,487,895 tons, and 36 sailing vessels of 37,619 tons entered with cargo at the port of Cape Town. Of these, 441 steamships and 26 sailing vessels were engaged in foreign and the remainder in coastwise trade. The cargo landed at the port aggregated 563,376 tons. There cleared from the port with cargo 839 steamships of 4,383,534 tons, and 14 sailing vessels of 10,409 tons, of which 366 steamships and 8 sailing vessels were engaged in the foreign trade. The cargo cleared from the port amounted to 140,339 tons. One American whaling vessel is included in the number of vessels clearing.

RAILWAYS—BANKING—TRADE REVIVAL.

Although railway rates in Cape Colony were increased, the earnings dropped from \$16,886,755 in 1907 to \$13,869,525 in 1908. Banking returns for Cape Colony in 1908 likewise give evidence of trade contraction. Unsecured bills and overdrafts amounted to \$13,964,543, as compared with \$14,268,578 the year previous, showing that the banks evidently considered it necessary to restrict facilities. The total number of insolvencies for Cape Colony during 1908 was 844, against 777 in 1907.

Unsatisfactory as are the trade, banking, and insolvency returns for 1908, and while the Cape Colony will be the slowest to recover from the depression of the past five years, the marked revival in the trade situation in the Transvaal, brought about by the recent expansion of the gold mining industry, is already reacting beneficially on conditions in Cape Colony. The imports into this colony during the first four months of 1909 showed an increase of \$2,244,262, and exports increased \$5,473,026. Prices of staple products, such as wool, mohair, ostrich feathers, hides, and skins have advanced on the European markets, and much larger shipments of these articles were made during the first four months of 1909 than in 1908. The quantity of diamonds exported also showed a substantial increase. With every prospect of a union of the South African Colonies being accomplished by 1910, the outlook for 1909 is very encouraging.

IRRIGATION—EXPORTS FROM KIMBERLEY AGENCY.

The government director of irrigation recently made the following statements in an address before the irrigation congress in Cape Colony:

During 1908 irrigation schemes were taken in hand with an ultimate capacity of 30,000 to 40,000 acres. Taking the last census figures for what they are worth, we might expect that about half a million acres are now under irrigation in the Cape Colony. At a moderate estimate it should be possible to increase this area to 3,000,000 acres at some future date, but very much more scientific methods of irrigation must first become the rule and not the exception. The cost of bringing land under irrigation in South Africa is very high indeed. Schemes costing \$24 per acre are comparatively rare; \$48 per acre or thereabout is common and financially sound at present. Many irrigation schemes in this colony have cost \$97 and even \$146 per acre. The Ashton Canal, which commands 40,000 acres, of which for the present only 35,000 acres of the best are included in the project, is estimated to cost about \$44 per acre.

The declared exports from Kimberley Agency to the United States, as reported by Consular Agent Alpheus F. Williams, amounted to \$20,309 during 1908, household effects forming \$1,536 of this amount and personal effects \$720. Diamonds made up the balance.

PORT ELIZABETH.

By CONSUL R. B. MOSHER.

The total trade of Port Elizabeth, Cape Colony, in 1908 amounted to \$39,175,456, a loss of \$6,068,677 when compared with the trade of 1907. Imports fell from \$29,911,344 to \$26,279,708, and exports from \$15,332,789 to \$12,895,748, and indications point to no improvement in the trade of the port during 1909. The customs duties collected in 1908 fell \$517,246 below the 1907 collection, amounting to \$3,256,545 as compared with \$3,773,791 the previous year. Shipping also declined during the year. In 1908, 1,001 vessels of 5,569,524 tons entered and cleared through the customs of Port Elizabeth, against 1,049 vessels of 5,706,792 tons in 1907. Of the vessels that entered in 1908, 383 of 2,352,649 tons were British and 119 of 479,107 tons were foreign. One American vessel of 1,727 tons entered in 1908 as compared with 3 of 4,702 tons in 1907. The passengers carried by water numbered 5,122 in 1908 and 4,611 in 1907.

IMPORTS BY ARTICLES.

In the following statement is given the value of the principal imports into Port Elizabeth in 1907 and 1908, respectively:

Articles.	1907.	1908.	Articles.	1907.	1908.
Aerated waters.....	\$16,094	\$14,410	Breadstuffs—Continued.		
Animals:			Oatmeal.....	\$70,817	\$53,210
Horses, etc.....	4,283	24,673	Wheat.....	1,589,370	1,327,051
Sheep and lambs.....	12,682	3,660	Other.....	94,908	38,486
Other.....	9,583	12,887	Brush ware.....	64,209	61,443
Apparatus, assay.....	14,502	12,211	Candles.....	117,580	89,110
Apparel and slops.....	2,813,896	.....	Canvas and duck.....	78,151	47,739
Arms and ammunition.....	301,300	239,369	Caoutchouc and gutta- percha.....	16,389	22,036
Bags, not leather or paper.....	225,582	198,442	Carpets.....	46,811	46,499
Beads.....	12,001	8,429	Cars, carriages, etc., and parts:		
Blacking.....	13,894	21,963	Axles, bushes, and springs.....	23,914	17,573
Bluing.....	13,894	11,285	Bicycles and tricycles.....	303,446	261,278
Books and other printed matter.....	128,956	277,132	Cars, railway and street.....	33,671	2,272
Brass, and manufactures of.....	32,236	14,079	Carts and carriages.....	37,019	18,751
Breadstuffs:					
Biscuits.....	66,924	51,473			
Flour.....	163,266	202,061			

Articles.	1907.	1908.	Articles.	1907.	1908.
Cars, carriages, etc., and parts—Continued.			Iron and steel, manufactures of—Continued.		
Motor vehicles.....	\$162,828	\$162,565	Machinery—Cont'd.		
Other.....	33,267	20,755	Mining.....	\$683,254	\$327,442
Cement.....	66,009	50,725	Printing.....	11,975	10,312
Chemicals, drugs, etc.:			Sewing.....	34,260	26,026
Apothecary ware.....	98,951	96,761	Water-boring.....	90,381	103,889
Calcium carbide.....	43,224	34,693	Other.....	449,923	419,293
Disinfectants, etc.....	26,921	16,862	Nails and screws.....	46,237	25,296
Medicines.....	124,908	102,489	Pig, block, ingot, etc.....	43,545	16,308
Opium.....	10,779	2,681	Pipes.....	123,380	104,776
Soda compounds.....	19,914	21,515	Plate and sheet.....	72,582	24,588
Other.....	95,329	78,944	Rails.....	61,211	4,448
Chicory.....	21,354	16,386	Standards, fencing.....	80,737	51,590
Chocolate and cocoa.....	41,794	28,328	Stoves.....	57,240	29,856
Clocks and watches.....	37,058	30,435	Tools.....	50,704	31,696
Coal.....	28,002	25,792	Typewriters.....	17,369	14,609
Coffee:			Wire.....		
Raw.....	560,602	613,831	Fencing.....	294,058	304,020
Roasted, etc.....	12,001	9,106	Rope.....	88,136	18,468
Confectionery, etc.:			Other.....	567,532	436,680
Confectionery.....	136,733	112,426	Jute, manufactures of.....	17,539	12,911
Jams and jellies.....	56,278	34,494	Lamp ware.....	40,421	29,846
Other.....	3,679	2,395	Lead.....	14,006	4,806
Cordage and rope.....	42,835	39,273	Leather, and manufactures of:		
Corks and bungs.....	15,281	10,108	Boots and shoes—		
Cotton, manufactures of:			Men's.....	1,019,541	1,024,413
Blankets, rugs, and sheets.....	346,772	311,057	Women's.....	494,748	529,660
Hosiery.....	767,423	749,232	Children's.....	290,706	291,893
Piece goods.....	2,108,355	2,164,420	Saddlery and harness.....	45,808	36,041
Shawls.....	108,172	98,274	Other—		
Other.....	218,728	249,763	Manufactured.....	115,944	92,921
Earthen and china ware.....	123,949	102,873	Unmanufactured.....	248,835	153,066
Eggs.....	36,046	22,186	Linen, manufactures of.....	62,097	72,769
Electrical materials:			Linoleums and floor cloths.....	79,952	68,998
Cable and wire.....	61,770	28,036	Malt.....	30,386	49,298
Fittings.....	51,137	38,051	Marble and slate.....	23,890	17,145
Explosives and fireworks.....	634,903	723,368	Mats and matting.....	11,504	11,344
Extracts and essences.....	28,416	20,565	Mercury.....	2,146	13,998
Fish:			Oils:		
Dried or cured.....	22,147	21,189	Castor.....	30,065	20,118
Preserved.....	167,574	134,549	Engine and machine.....	72,915	31,496
Food and drink, n. e. s.....	62,131	42,006	Lard.....	11,349	4,963
Fruits and nuts:			Linseed.....	28,737	22,508
Almonds, etc.....	11,037	9,100	Mineral.....	10,312	12,716
Dates.....	14,337	13,266	Paraffin.....	93,617	210,661
Fruit.....			Salad and olive.....	14,960	10,608
Dried.....	40,669	29,778	Other.....	26,854	22,740
Bottled and tinned.....	19,937	8,765	Paints, and painters' goods.....	115,309	80,378
Juices and cordials.....	11,222	9,928	Paper, and manufactures of:		
Glass, manufactures of:			Bags.....	32,376	28,875
Bottles and jars.....	60,525	48,042	Printing.....	70,925	63,332
Glassware.....	47,954	38,085	Stationery, etc.....	461,870	223,670
Window and plate.....	17,938	12,478	Wall.....	49,302	54,641
Grease, antifriction.....	25,369	17,208	Wrapping.....	35,826	37,808
Haberdashery and millinery.....	2,053,984	214,944	Other.....	12,093	11,782
Hats and caps.....	437,347	401,720	Perfumery, etc.....	63,162	60,856
Hops.....	13,551	12,108	Photographic materials.....	62,255	47,487
Hose.....	20,692	19,266	Pickles, spices, etc.:		
Ink.....	12,098	10,672	Mustard.....	10,001	9,908
Instruments:			Pepper.....	10,292	7,947
Musical.....	98,106	85,850	Pickles and sauces.....	35,861	27,223
Other.....	16,341	14,474	Other.....	19,009	16,274
Iron and steel, manufactures of:			Printers' and bookbinders' materials, n. e. s.....	12,872	10,638
Bar, rod, etc.....	44,621	23,422	Provisions:		
Bolts, nuts, and rivets.....	50,529	24,167	Dairy products—		
Chain.....	26,357	7,874	Butter.....	44,460	71,065
Cutlery.....	83,496	82,876	Cheese.....	139,255	112,863
Galvanized.....	296,720	146,871	Milk, condensed.....	499,652	298,239
Girders, beams, etc.....	15,680	11,767	Meat products—		
Hardware.....	77,395	54,257	Bacon and hams.....	259,925	189,178
Implements, agricultural.....	233,517	213,294	Drippings and fats.....	10,672	12,085
Machinery.....			Lard, etc.....	42,767	29,875
Agricultural.....	58,194	29,038	Margarin, etc.....	33,073	36,046
Cranes and elevators.....	45,924	8,448	Meats, tinned, etc.....	66,910	67,711
Electrical.....	161,091	42,577	Tallow and grease.....	559	16,940
Engines, fire.....	13,125	8,906	Rice and paddy.....	146,365	152,954
Locomotives.....	12,864	1,475	Salt.....	10,132	7,849
Manufacturing.....	105,282	38,363	Seeds.....	62,486	56,627
			Ship dip.....	161,076	99,432
			Ship chandlers' stores.....	19,904	7,893

Articles.	1907.	1908.	Articles.	1907.	1908.
Shoemakers' materials, not leather.....	\$12, 429	\$22, 313	Vegetables:		
Silk, manufactures of:			Beans and peas.....	\$10, 341	\$10, 735
Piece goods.....	33, 121	28, 722	Potatoes.....	12, 775	23, 111
Other.....	26, 902	15, 475	Tinned, etc.....	28, 999	16, 541
Silver plate, and plated ware.....	146, 759	112, 226	Wax.....	19, 038	23, 457
Soap, etc.....	222, 490	203, 828	Wood, and manufactures of:		
Spirits, wines, etc.:			Boxes.....	21, 442	10, 648
Ale, beer, and stout....	51, 147	32, 659	Flooring, etc.....	34, 158	71, 104
Brandy.....	53, 254	35, 452	Furniture—		
Gin.....	10, 487	9, 874	Bedsteads.....	74, 115	53, 371
Whisky.....	217, 557	194, 154	School and church.....	18, 406	7, 582
Wines.....	61, 659	46, 782	Other.....	359, 863	276, 801
Other.....	3, 051	2, 024	Houses, frames, etc....	39, 146	31, 214
Sporting goods.....	65, 630	96, 765	Planed and grooved....	101, 739	27, 097
Starch.....	20, 906	23, 598	Railway sleepers.....	23, 875	6, 083
Sugar, and manufactures of:			Other—		
Sugar.....	578, 174	588, 832	Manufactured.....	58, 826	38, 975
Glucose, etc.....	8, 200	11, 023	Unmanufactured....	184, 387	121, 453
Sirups, etc.....	70, 462	73, 912	Wool, manufactures of:		
Sulphur:			Blankets and rugs.....	246, 843	213, 304
Rock.....	23, 943	5	Cloth, etc.....	392, 128	410, 080
Flowers of.....		34, 450	Hosiery.....	92, 137	94, 731
Tar, etc.....	10, 088	10, 799	Shawls.....	78, 015	67, 883
Tea.....	248, 868	224, 643	Other.....	8, 747	16, 277
Tents and tarpaulins....	8, 874	14, 634	Works of art.....	18, 298	14, 458
Tin, and manufactures of:			Zinc, and manufactures of..	10, 289	5, 422
Plate and sheet.....	17, 154	10, 001	All other articles.....	295, 228	4, 867, 345
Other.....	45, 035	29, 096	Total.....	29, 223, 099	25, 946, 484
Tobacco:			Imports for government of Cape Colony.....	481, 341	315, 729
Cigars.....	102, 790	72, 681	Imports for other South African governments....	158, 239	17, 465
Cigarettes.....	46, 444	52, 125	Specie.....	48, 665	
Other.....	15, 096	8, 911	Grand total.....	29, 911, 344	26, 279, 708
Tobaccoists' wares.....	53, 454	67, 697			
Toys and fancy goods.....	82, 963	64, 301			
Uniforms, etc.....	14, 181	3, 304			

LIST OF IMPORTS SHOWING INCREASES.

The imports of live animals showed an increase of \$14,672; books and printed matter, \$148,176; flour, \$38,795; raw coffee, \$53,229; cotton piece goods, \$56,065; miscellaneous cotton manufactures, \$31,035; explosives and fireworks, \$88,465; water-boring machinery, \$13,508; boots and shoes, \$40,962; linen manufactures, \$10,672; malt, \$18,912; paraffin oil, \$117,044; butter, \$26,635; sporting goods, \$31,135; sugar, \$10,658; tobacco pipes, \$11,265; potatoes, \$10,336; flooring and ceiling wood, \$36,946; and woolen cloth, \$17,952. Smaller gains were noted in blacking, caoutchouc and gutta-percha, soda compounds, fencing wire, wall paper, wrapping paper, dripping and fats, margarin and other butter substitutes, rice and paddy, shoemakers' materials other than leather, starch, glucose and saccharine, sirups, cigarettes, paraffin and stearin wax, woolen hosiery, etc. These gains, however, were not sufficient to offset the heavier losses shown by the majority of the articles shipped into Port Elizabeth.

EXPORTS.

The total value of the export trade of Port Elizabeth in 1908 was \$12,895,748, or \$2,437,041 less than in 1907. The following table shows the amount and value of the principal exports during these two years.

Articles.	1907.		1908.	
	Pounds.	Value.	Pounds.	Value.
Feathers, ostrich.....	285,984	\$4,429,503	392,226	\$4,304,518
Hair, Angora.....	15,175,690	3,893,920	14,700,566	2,830,254
Hides.....	1,208,390	197,596	1,381,680	151,470
Horns.....	(a)	8,414	94,127	6,891
Skins:				
Goat.....	3,356,366	608,580	3,663,005	466,702
Sheep.....	7,090,970	984,800	8,812,298	822,185
Wool:				
In the grease.....	30,423,302	4,270,685	29,492,652	3,442,923
Washed.....	196,064	27,155	320,463	42,942
Scoured.....	2,521,137	833,325	6,382,160	655,504

a Not given.

The total value of the articles declared through the American consulate at Port Elizabeth for export to the United States in 1908 was \$1,458,380, a gain of \$194,092 over 1907. Ostrich feathers valued at \$1,345,771 were exported to the United States in 1908, as compared with \$1,114,402 worth in 1907, and dry hides to the value of \$14,262, a loss of \$1,519 from the 1907 shipments. Angora goat-skins fell from \$96,921 in 1907 to \$73,656 in 1908, and sheepskins from \$20,907 to \$1,440. The declared value of the wool exported to American ports was \$19,313, as compared with \$15,021 in 1907, and \$1,232 worth of springbok skins appeared among the articles shipped to the United States in 1908, none having been exported to that country in 1907.

EAST LONDON AGENCY.

There was a loss of \$4,039,085 in the total trade of East London during 1908 as compared with 1907. The imports amounted to \$12,951,387, against \$14,966,585 the previous year, and exports declined from \$7,085,838 in 1907 to \$5,061,951 in 1908. The shipping of the port also fell off both in the number of vessels and in tonnage. In 1908, 431 vessels of 2,327,922 tons entered the port as compared with 474 vessels of 2,472,796 tons in 1907. Of the vessels entering in 1908, 340 of 1,950,489 tons were British. No American ship entered the port of East London during 1908, nor did any flying the flag of the United States touch here in 1907.

The total value of exports to the United States declared through the agency at East London in 1908, as reported by Consular Agent William H. Fuller, was \$42,301, and included dry hides to the value of \$25,020, against \$41,103 in 1907, and Angora goatskins valued at \$10,464, against \$20,380 in the previous year. Wool exports aggregated \$6,143, and returned American goods made up the balance of the 1908 exports.

NATAL.

By CONSUL EDWIN S. CUNNINGHAM, DURBAN.

The year 1908 was not a bright one commercially or industrially for Natal, but it showed that the grip in which the general depression had held this country for the preceding four years had been relaxed to some extent. There is but little consolation to be derived from the statistics as to over-sea imports, which declined 9 per cent, or from

the exports, which declined 4 per cent; but there is great satisfaction in the present domestic progress and development, which have greatly increased the value of Natal products.

Conditions seem to indicate an early return to normal trade and industry. Disappointments exist, but upon the whole there is evidence of internal development and progress that does much to restore a feeling of confidence for the future under closer political union. The year opened with a renewal of Zululand troubles with the natives that threatened further industrial developments, but these were settled early in the year, and were followed by renewed activity in industry; new lands open for occupation were taken, resulting in a great increase in the sugar planting, and the justification for the erection of a central sugar mill for the accommodation of small planters was soon apparent.

CATTLE DISEASE—AGRICULTURAL AND OTHER INDUSTRIES.

The colony suffered severely from the ravages of the East Coast fever, which continues to spread slowly and seems to defy the constant efforts of the government to stamp it out. In consequence of the prevalence of this disease communication by means of ox-wagon transports was prohibited in many districts, resulting in a serious check to internal trade. The continuance of the disease resulted in the slaughter of many cattle, causing a reduction in the importation of preserved and frozen meats from abroad and a large increase in importation of mules from other colonies, and greatly influencing the decrease in other over-sea imports.

In other respects the farming interests in the colony seem to be in a thriving condition. The acreage under cultivation is increasing rapidly, as is evidenced by a large demand for agricultural implements of an improved character. Corn remains the staple product, and its production is likely to assume larger proportions in the near future. The output of sugar has increased from 35,000 to 51,000 tons, and the average price is \$78 per ton. The shipments of wool, oversea and intercolonial, increased from 20,264,000 to 24,117,170 pounds, though the average range of price was lower. There was a slight increase in the production of mohair; 1,202 tons of tea were produced against 1,100 tons the previous year. Fruit was exported to the value of \$12,624; of wattle bark 24,000 tons were exported, and there was an increase in the exports of hides and skins. Coal, the only known mineral in the colony, increased in output, reaching 1,669,774 tons. The transit trade to the interior colonies suffered a further decline.

CLOSER POLITICAL UNION.

The chief event of importance during the year, and one that will make it memorable in history, was the step taken toward welding the four self-governing colonies into a new British dominion. The chairman of the Durban Chamber of Commerce, in considering at the close of the year the effects of the proposed constitution upon trade, said:

The great drawbacks to the progress and prosperity of South Africa to-day are lack of confidence, lack of enterprise, and the conflicting interests of the various governments. This all conduces to instability, and the depression under which we are suffering. Under union we may look forward to stability of government; our customs

tariffs will not be subject to frequent and radical changes as in the past; there will be stability in the railway tariffs and great reduction in rates will take place, which will lessen the cost of living to the people of the interior, and greatly increase their spending powers. Mining will benefit by the lower cost of machinery and materials, and will thus be able to work with greater economy; many low grade properties, which now remain undeveloped, will be opened up and worked with a profit. The benefit from these changes alone will be so great and so uniform that progress and prosperity can not fail to follow; a feeling of security will be restored; new enterprises will be undertaken with confidence; and outside capital will once more flow into the country.

FOREIGN TRADE.

The total over-sea trade, inclusive of gold and specie, for 1907 and 1908, is given in the following statement:

Year.	Imports.	Exports.	Total.
1907.....	\$37,655,804	\$16,029,643	\$53,685,447
1908.....	34,233,014	15,375,819	49,608,833

For the first time in the history of the port the tonnage of cargo shipped exceeded that of cargo landed. In 1907, cargo landed amounted to 479,482 tons, and 472,159 tons were shipped. For 1908 the cargo landed and shipped amounted to 437,051 and 608,075 tons, respectively. The bunker coal in 1908 was 710,777 tons, and in 1907, 666,830 tons, which may be added to the amount of cargo shipped, but as it was bunkers it is not included in the cargo as an export.

The following table shows the value in American currency of the over-sea imports and exports, by principal articles, in 1908:

Articles.	Imports.	Exports.	Articles.	Imports.	Exports.
Agricultural implements...	\$282,084	\$2,993	Iron and steel, manufactures of—Continued.		
Animals, live.....	133,920	7,232	Machinery—		
Apparel and slops.....	1,624,589	3,188	Agricultural.....	\$158,487	\$1,172
Arms and ammunition.....	319,218	2,250	Other.....	865,064	32,357
Bark.....		649,726	Pipes, etc.....	129,000	682
Brass and copper.....	36,587	44,198	Wire.....	165,957	827
Breadstuffs:			Other.....	102,527	25,202
Flour, wheat.....	1,061,895	13,242	Jewelry.....	44,694	26,844
Wheat.....	240,342	122	Leather, and manufactures of:		
Oats.....	7,782	14,069	Leather.....	140,350	1,007
Oatmeal.....	64,274	200	Boots and shoes.....	1,030,899	1,173
Candles.....	89,607	2,935	Saddlery, etc.....	120,426	5,218
Cars, carriages, etc.:			Provisions:		
Bicycles, etc.....	184,566	399	Butter and substitutes.....	1,172,087	11,173
Motors.....	193,186	10,506	Cheese.....	209,872	837
Carts and carriages.....	77,873	15,889	Meat—		
Cement.....	98,235	257	Bacon and hams.....	366,641	.....
Clocks and watches.....	42,833	92	Frozen.....	881,704	26,157
Coal, coke, etc.....	10,618	3,477,994	Tinned.....	91,378	.....
Cotton goods.....	1,289,120	9,509	Spirits, potable.....	668,119	59,128
Drugs, chemicals, etc.....	672,015	2,813	Tobacco.....	276,385	12,390
Electrical apparatus.....	417,788	5,348	Wood and timber.....	836,537	2,520
Fish.....	280,602	5,606	Wool and manufactures of:		
Fruits.....	267,722	12,621	Wool.....	141	3,209,360
Furniture.....	458,500	26,205	Fabrics.....	604,896	9,797
Glass and glassware.....	204,739	1,158	All other articles.....	11,657,053	1,377,367
Haberdashery and millinery.....			Total.....	31,342,489	10,063,499
Hair, Angora.....	2,944,290	8,341	Specie and raw gold.....	1,581,612	5,312,320
Hats and caps.....	129,939	230,550	Government stores.....	1,308,913	.....
Hides and skins.....	6,667	710,129	Grand total.....	34,233,014	15,375,819
Hosiery.....	287,007	185			
Iron and steel, manufactures of:					
Galvanized.....	394,164	2,068			

The following table shows the value of the over-sea imports into Natal, exclusive of specie and government stores, by countries, during 1907 and 1908:

Country.	1907.	1908.	Country.	1907.	1908.
British Empire:			Foreign countries—Contd.		
United Kingdom.....	\$18,053,109	\$17,718,527	Japan.....	(a)	\$87,652
Canada.....	723,359	557,725	Italy.....	\$192,202	165,850
Australasia.....	3,390,534	2,628,212	Netherlands.....	456,629	427,382
British India.....	1,931,767	1,816,503	Norway.....	94,848	118,630
All other possessions.....	486,478	506,140	Portugal.....	45,667	51,444
Total.....	24,585,247	23,227,107	Portuguese Africa.....	123,648	22,229
Foreign countries:			Russia.....	86,242	66,535
United States.....	2,501,654	2,190,354	Spain.....	57,366	52,150
Argentina.....	1,069,410	476,259	Sweden.....	431,650	595,455
Austria-Hungary.....	147,080	119,502	Switzerland.....	106,567	74,985
Belgium.....	381,027	343,419	All other countries.....	1,169,293	630,710
China.....	(a)	106,639	Total.....	9,580,493	8,115,382
France.....	709,049	664,964	Grand total.....	34,165,740	31,342,489
Germany.....	1,983,162	1,921,344			

(a) Included in "All other countries."

INCREASED OUTPUT OF SOUTH AFRICAN PRODUCTS.

The total exports of merchandise, exclusive of \$4,840,056 gold and \$472,264 specie, amounted to \$10,063,499. Of this total \$9,540,326 was of South African products, an increase of \$801,528 over 1907. That the exports of domestic products are increasing denotes a healthy state, and indicates a development of internal resources. The efforts of individuals, encouraged by government support, are proving effective in developing the natural resources of the colony. The potentialities of Natal in agricultural, dairying, and pastoral industries are great.

The principal articles of export are coal, wool, hides, and skins, bark and corn, all of which, excepting corn, showed substantial increases during the past year. The imports of corn decreased about 200,000 bushels. Noteworthy increases were made in the over-sea exports of South African products in fodder, whale oil, common soap, spirits, and sugar. None of the products of Natal is likely to find a market in the United States except hides, the exportation of which to the United States has been small during the last two years, owing to the enforcement of the quarantine laws of the United States governing importation of hides from Africa. In time wattle bark may find a sale in the American markets, and there is no reason why Natal wool should not be imported directly instead of through London brokers. Natal's shipments of domestic products to other States of the South African Customs Union increased 20 per cent during the year.

ANALYSIS OF IMPORT TRADE.

Food and drink remain the most important group of imports into Natal, though they declined \$1,974,918 as compared with 1907. Three-fourths of this decrease was in meat, the demand for which has fallen off slightly, but it can be more correctly accounted for by the great number of cattle which were slaughtered by direction of the Government in districts infected with East Coast fever and which have supplied the local demand to a large extent.

The imports of manufactured articles decreased from \$20,343,659 in 1907 to \$19,862,590 in 1908, or \$481,059. Raw material decreased from \$2,840,697 to \$2,522,542, or \$318,137, and animals from \$170,230 to \$133,920, or \$36,310.

After food and drink, hardware and cutlery form a very interesting group of imports, and will increase in the future, as will also imports of mining machinery and agricultural implements; boots and shoes constitute another important class of imports; other articles largely imported are furniture of various kinds, drugs and chemicals, carts and carriages, manufactured and unmanufactured wood, cotton goods, slops and apparel, haberdashery and millinery goods, paper and stationery, jewelry, and paraffin.

The relative order of countries from which imports are received remained unchanged from last year, the United Kingdom holding first position, with Australasia second, and America third. Norway, Sweden, and Portugal are the only countries that showed an increase during the past year; imports from every other country, including the United Kingdom, decreased. Germany practically held its own in the amount of imports, and slightly increased its percentage of the total. Netherlands increased its percentage of the total imports, though its amount is smaller; imports from the Netherlands consist chiefly of cheese, butter, and substitutes, chocolate, and a few other articles, all of which are popular in the local market.

TRADE WITH UNITED STATES.

Natal's exports to the United States in 1908, according to the statistics of the South African Customs Union, amounted to \$1,767 against \$28,016 in 1907, \$19,054 in 1906, \$5,766 in 1905, and \$4,036 in 1904. The exports consist of hides, whale oil and whalebone. The whale products are the catch of American vessels. I may state, however, the above returns differ materially from those compiled in this consulate from the invoices certified for shipment to America.

Of imports, the United States supplied 6.99 per cent in 1908, against 7.01 per cent in 1907, and 8.24 per cent in 1905. Their values for the years from 1905 to 1908 were \$3,986,030, \$3,604,670, \$2,501,654, and \$2,190,354, respectively. In no sense is this a satisfactory showing, though during this entire period South Africa has been in a depressed condition, and her imports have gradually declined. This is a retrograde movement, not only in the amount of merchandise sold, but in the share of the United States in the total imports supplied to this market. It must, therefore, be accounted for by some other cause than the general shrinkage of imports during this period.

The leading articles imported from the United States in 1907 and 1908 are shown in the statement on the following page.

Articles.	1907.	1908.	Articles.	1907.	1908.
Agricultural implements...	\$142,768	\$112,430	Iron and steel, manufactures of—Continued.		
Animals.....	4,073	11,588	Machinery.....	\$333,574	\$311,128
Apparel and slops.....	47,438	32,483	Plates and sheets.....	3,961	12,746
Arms and ammunition.....	6,268	5,315	Typewriters.....	13,952	10,181
Assay apparatus.....	127	2,350	Lamps.....	11,743	9,616
Baking powders.....		64,006	Leather, and manufactures of:		
Breadstuffs:			Leather.....	4,491	5,577
Farinaceous preparations.....	18,746	21,979	Boots and shoes.....	37,573	22,522
Flour, wheat.....	132,608	131,802	Other manufactures.....	3,329	3,013
Wheat.....	2,487	5	Metal composition.....	15,972	12,303
Brush ware.....	15,285	7,256	Oils:		
Candles.....	6,681	569	Salad and olive.....	9,144	10,054
Carts and carriages.....	18,003	38,986	Other.....	310,732	371,237
Clocks and watches.....	16,468	13,344	Oilmen's stores.....	35,316	28,468
Confectionery.....	5,144	2,862	Paints, etc.....	35,749	37,423
Cotton goods.....	6,016	12,815	Paper.....	9,993	5,105
Drugs and chemicals.....	72,370	66,724	Photographic materials.....	9,728	8,580
Fish.....	20,007	18,192	Provisions:		
Fruit.....	34,279	14,220	Lard.....	66,335	32,866
Furniture.....	29,939	28,882	Meat.....	76,251	68,535
Glass and glassware.....	11,957	14,756	Milk, condensed.....	50,754	22,605
Glucose and sirup.....	6,496	3,718	Soap.....	13,398	14,137
Haberdashery and millinery.....	9,475	10,390	Stationery.....	25,817	24,040
Instruments.....	24,706	17,067	Wood, and manufactures of.....	197,086	215,864
Iron and steel, manufactures of:			All other articles.....	266,682	182,868
Gliders and beams.....	11,768	14,721			
Hardware and cutlery.....	327,065	244,994	Total.....	2,501,654	2,190,354

SPECIAL FEATURES OF AMERICAN TRADE.

The most valuable group is that of food and drink, amounting to \$399,384, against \$501,600 the previous year; next in importance are the articles embraced in the groups hardware and cutlery and machinery, each of which has suffered a decline. It is easy to account for the decline in imported articles of food by the increased domestic production, but it seems more difficult to understand why the United States should lose any great amount of the hardware, cutlery, and machinery trade, as the demand for these has not declined proportionately nor are there any manufactories within this colony.

Of the individual articles imported from America, paraffin, included in classification "other oils," heads the list at \$195,166, with unmanufactured wood second at \$156,546, while flour, agricultural implements, engines, and machine oils are each imported in the order named to a greater value than \$100,000. Six articles are imported to the value of over \$50,000 and under \$100,000 each, and these are fencing wire, water-boring machinery, baking powders, cotton-seed oil, canned meats, and patent medicines, in the order named. The list of articles whose values range from \$25,000 to \$50,000 each consists of agricultural machinery, mining machinery, carriages and carts, paints and painters' supplies, lard, apparel and slops, electric fittings, tools, and general furniture.

In 1908 Natal purchased agricultural implements from the United States valued at \$112,430 and agricultural machinery valued at \$48,719, against \$142,768 and \$61,162, respectively, in 1907. There is no line of manufactured articles that should be more carefully studied in order to meet the demands of the consumer than this. It is certain to increase, and from present indications the requirements will be supplied for a long time from oversea. American agricultural machinery has a stronger hold than American implements, and dominates the market. It seems that the sale of implements, such as

plows, has diminished during the past three or four years on account of the expense of renewing the various parts, which is required more frequently than with similar implements manufactured in Europe. The American plow originally was very popular and cost slightly less than the British and German made plow, but the expense of the upkeep is so great that many farmers who formerly purchased only the American make are now buying British and German plows. The demand is increasing for an article requiring the minimum amount of repairs. The United States has always held its part of this trade, but Germany and Canada are both becoming important competitors, and the United Kingdom has always been one; therefore, it behooves the American to put forth special effort to please this trade.

PREFERENTIAL TARIFFS—DAIRYING MACHINERY.

The United Kingdom and Canada enjoy a 3 per cent preference in duty. Canada and Germany subsidize steamers for the delivery of their merchandise, and many of the vessels from the United Kingdom are assisted directly or indirectly by government mail or other contracts. It appears that American firms are considerably handicapped in this market for the above reasons, but a careful study of the requirements, sufficient to enable them to supply correct and durable articles, aided by improved business methods, will go far toward overcoming these unnatural advantages.

Quite analogous to agricultural implements are dairying machinery and appliances. Considerable attention has been given to the development of the dairying and pastoral industries in the colony. They are bound eventually to be successful, and will result in the domestic supply being sufficient to satisfy local demands and furnish something for export. There can be no extraordinary development of these until the East Coast fever is stamped out, but they are certain to be an important asset to the colony, and the American manufacturer should be represented in machinery and appliances of this character. Several inquiries have been received at this consulate for addresses of manufacturers of cream separators and similar articles by persons desirous of securing information and a possible agency.

TRADE COMPLAINTS.

Perhaps no point causes greater dissatisfaction to the merchant in his initial orders with United States firms than the use of the letters "f. o. b." The local merchant is accustomed to think of this as meaning "free on board ship," which is the European sense, whereas the American manufacturer by the term means "free on board cars." It is here that the trouble starts by upsetting the calculations of the importer as to the cost of the goods when received at his business house in Durban. The majority of local importers understand the American definition, but most of them have paid for the experience.

An objection similar to this, and perhaps a better-founded one, is made to the custom which many American manufacturers have of quoting their wares free on board cars at their factory, which may be located 2,000 miles from a seaport. As many of them have no doubt realized, this conveys an inadequate conception to the ordinary African merchant as to what the actual cost will be to him of goods

bought in Cleveland, St. Louis, or some other interior point. The ordinary buyer has a poor conception of the distances in America and less as to the cost of freight charges from a factory to the seaport from which his goods are shipped. It is urged upon all manufacturers to do their utmost to make quotations to the foreign trade free on board ship at an American seaport. There is no doubt that quoting factory prices has lost many orders for American houses when more definite information would have secured them.

NEED OF PARCELS POST AND DIRECT STEAMSHIP LINE.

An optician and a dealer in dentists' supplies recently expressed regret that no parcels post arrangement existed between South Africa and the United States, and they were of the opinion that the existence of a parcels post would do much to increase their orders and facilitate interchange of commodities between the two countries. This is a common complaint, and there is no doubt that considerable increases in the sales of many articles would be made should such an arrangement be effected.

A study of details and the strong desire to supply exactly the article required will increase the trade of the United States with South Africa to a considerable extent, but the most beneficial move that could possibly be made would be the establishment of an American line of steamers directly from New York, calling at the various South African ports; it may be necessary to receive some kind of government assistance, but if so, it would only be placing the American exporter on the same footing with his competitors from other parts of the world. Canada, with her small population and few industries, considers the South African trade sufficiently important to guarantee a monthly service from a Canadian port by paying an annuity of \$146,000 to the company providing this line of steamers. It is well known that Germany subsidizes steamers that call at the various ports of South Africa, and this is making her one of the strongest competitors that the manufacturers of the United States have to-day. Even Sweden with her small timber trade considers it essential that a line of steamers be supported plying between Gothenberg and this section of the world.

COMMERCIAL TRAVELERS—SHIPPING.

Every commercial traveler is subject to a privilege tax of \$48.66 per annum for a license, which expires on December 31 each year, but when taken out after June 30 the cost is but three-fifths of this amount. On the railways of Natal he is entitled to carry 200 pounds of free baggage consisting of samples and personal effects, and upon the excess over this amount he is charged one-half parcel rates. Samples are charged the same import duty as is merchandise of the same character, but upon departure from British South Africa the commercial traveler is able to obtain a refund of the whole duty upon the production of satisfactory evidence as to the identity of the goods if the duty had been paid at that or some other port within the customs union.

According to the returns supplied by the port captain during the year, 968 steamers and 39 sailing vessels, having a total tonnage of

2,629,879 tons, entered this harbor, against 984 steamers and 58 sailing vessels, with a total tonnage of 2,582,856 tons, in the previous year. The American merchant marine was represented during this period by the arrival of 3 New Bedford whaling vessels. Though America supplied 7 per cent of the total imports, not a single ton was delivered at this port in an American bottom.

The excellent shipping facilities offered at this port represent an immense outlay of money and the result of intelligent supervision. The harbor is equipped with modern wharfage appliances to handle cargo in the most expeditious manner; there is a dry dock with a capacity for raising a vessel of 8,500 tons, with good repair shops, and a new coaling appliance capable of loading 400 tons per hour. These facilities make this port one of the most modern of its size to be found anywhere in the Southern Hemisphere. Practically the only change made during the year was the deepening of the entrance to the harbor, so that the average low-water depth at the entrance was 33 feet 7 inches.

The revenue derived from all sources increased from \$533,042 in 1907 to \$656,204 in 1908.

DECLARED EXPORTS TO THE UNITED STATES.

The following statement shows the declared value of the articles of export from Durban to the United States during 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Books.....	\$474	.....	Returned American goods.....	\$2,808	\$1,616
Coal.....	.....	\$255	Grand total.....	60,561	40,753
Hides and skins.....	30,030	6,212			
Personal effects.....	238	.....		
Whalebone.....	18,670	28,170			
Whale oil.....	8,341	4,500			
Total.....	57,753	39,137			

The articles included under the heading of hides and skins are the chief exports from Durban that have found any sale in the United States, and it will be seen that there is a great falling off in this item during the year. The decrease is due to the decision that the previous mode of disinfecting hides did not meet the requirement of the American quarantine laws, and the practical refusal of shippers to conform to those requirements. Enforcement of these regulations locally has resulted in the hides being shipped to London and reshipped, when they are in many cases admitted as arsenic-cured hides, whereas they are only sun dried, with arsenic applied after drying has been concluded. There would be considerable direct shipment were the quarantine regulations relaxed, or if the local dealers would consider the required disinfection practical.

In 1907 some New Bedford whaling vessels began to use this port as their southern base, shipping from here their catch, which explains the growing export of whale products to the United States. The entire shipment is the catch of American vessels.

TRANSVAAL.

By CONSUL EDWIN N. GUNSAULUS, JOHANNESBURG.

While the decline in the commerce of British South Africa, which had its beginning several years ago, continued to a considerable degree during 1908 and affected all the States to a greater or less extent, the import and export figures for the year gave evidence of a marked improvement in the trade of this consular district, which embraces the colonies of the Transvaal and Orange River and the territories of Southern and Northwestern Rhodesia. This improvement was particularly noticeable in the Transvaal, where the imports and exports both showed gratifying increases over the figures of 1907. This is taken as a sign of returning prosperity and has given rise to an optimistic feeling as to the future. Several causes seem to justify this view, chief of which, aside from the material trade increase of the year, is the record output of gold, the production of the Transvaal mines alone in 1908 amounting to \$144,734,239, a gain of \$12,565,418 over the value of the previous year's output.

It is interesting to note the prominence of the Transvaal as a factor in the trade of South Africa, both in imports and in exports. Of the total over-sea imports of merchandise into the South African Customs Union, comprising Cape Colony, Natal, Orange River Colony, Transvaal, Southern Rhodesia, Northwestern Rhodesia, and other native territories, which amounted to \$118,928,850 in 1908, the Transvaal took \$68,786,768; while in exports, this colony's share of the \$223,259,028 worth of products shipped from South Africa was \$161,395,093.

While the over-sea imports of merchandise into British South Africa as a whole decreased from \$126,029,423 in 1907 to \$118,928,850 in 1908, and the export trade fell from \$235,501,507 to \$223,259,028, during the same period, the total imports into the colonies and territories comprising this consular district showed a net increase of \$661,922 and the exports gained \$11,030,724. The imports into the Transvaal alone, exclusive of specie and government stores, were valued at \$68,786,768 in 1908 and \$67,118,529 in 1907, a gain of \$1,668,239; and exports amounted to \$161,395,093, an increase of \$10,608,087 over the \$150,787,006 total for 1907. This increase in exports was due very largely to the increased gold output, the gold exports showing a gain of some \$11,000,000 over those of the preceding year.

IMPORTS BY ARTICLES.

In the following table are shown the principal imports of merchandise into the Transvaal during 1907 and 1908, with the share of the United States in this trade.

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Aerated waters.....	\$43,570	\$423	\$44,766	\$331
Animals, live.....	5,339,815	23,517	6,208,276	9,678
Apparel and slops.....	3,449,909	124,362	3,705,803	122,709
Arms and ammunition.....	582,758	11,522	625,456	4,811
Bags, not leather or paper.....	275,746	1,693	295,998	7,250
Basket ware.....	13,515	121	12,354	141
Beads.....	17,751	.....	19,131	.....
Brass and copper ware.....	42,756	131	68,277	389
Breadstuffs:				
Flour and meal.....	2,351,856	191,263	2,398,580	162,599
Biscuits and cakes.....	276,227	273	258,994	69
Other.....	1,824,772	27,133	1,158,458	41,531
Brush ware.....	107,857	18,069	103,532	9,291
Candles.....	614,031	70,823	435,838	22,551
Canvas and duck.....	41,173	1,168	27,575	2,272
Casotouchou, manufactures of.....	46,858	2,510	72,997	4,948
Cars, carriages, etc.:				
Motor vehicles.....	419,385	3,319	345,570	2,363
Other.....	506,646	58,612	515,717	45,693
Cement.....	94,842	.....	96,155	112
Chemicals, drugs, and medicines.....	3,177,400	28,169	2,600,377	39,021
Clocks and watches.....	114,788	47,351	91,436	28,804
Coal, coke, etc.....	132,840	.....	237,303	5
Coffee.....	461,412	127	464,560	58
Confectionery, jams, jellies, etc.....	599,139	9,912	614,089	7,255
Cordage, rope, twine, etc.....	47,411	1,625	67,535	3,718
Cotton, manufactures of:				
Piece goods.....	1,053,784	1,421	1,473,926	1,091
Other.....	589,202	17,809	684,894	22,175
Earthen and china ware.....	170,417	2,759	180,945	1,256
Eggs.....	548,733	175	486,607	.....
Electric cables, fittings, etc.....	435,082	36,542	754,156	32,474
Fertilizers.....	18,841	.....	25,865	.....
Fish.....	765,203	14,366	717,959	28,852
Fodder and forage.....	503,536	102	244,858	20
Food and drink, n. e. s.....	708,581	51,614	665,274	4,068
Fruits and nuts:				
Fresh.....	863,155	3,122	689,227	3,364
Dried or preserved.....	218,997	43,028	164,107	18,331
Furniture, carpets, etc.....	685,211	63,575	669,601	49,737
Glass and glassware.....	217,739	13,042	217,519	13,587
Grease, antifriction.....	125,116	30,668	144,240	50,684
Haberdashery and millinery.....	2,494,523	10,877	2,662,750	10,852
Hats and caps.....	336,700	10,944	337,706	5,907
Hides and skins.....	26,273	.....	38,575	77
Hops.....	42,423	623	35,048	121
Instruments:				
Musical.....	202,692	23,116	168,595	20,657
Other.....	38,993	4,624	40,112	4,831
Iron and steel, manufactures of:				
Implements, agricultural.....	238,459	98,609	291,368	124,168
Machinery—				
Agricultural.....	58,831	10,613	55,535	3,522
Electrical.....	412,158	60,588	1,198,229	158,252
Engines, fire.....	57,321	23,034	15,022	5,635
Manufacturing.....	143,254	10,113	88,375	20,609
Mining.....	2,413,876	524,126	3,030,777	413,822
Printing and bookbinding.....	23,131	1,528	15,296	7,411
Water-boring.....	363,684	77,017	295,017	132,903
Other, and parts.....	1,681,511	128,292	2,063,795	82,695
Wire—				
Fencing and standards.....	161,413	53,904	180,050	55,317
Rope.....	246,108	1,557	326,999	3,795
Other.....	3,494,930	265,052	3,837,844	384,250
Jewelry.....	538,871	10,492	430,181	413
Jute.....	7,746	.....	23,772	.....
Lamp ware.....	52,040	11,854	51,943	9,806
Lead, and manufactures of.....	79,922	.....	66,006	.....
Leather, and manufactures of:				
Boots and shoes.....	1,710,469	64,820	2,054,380	89,678
Saddlery and harness.....	84,180	764	73,235	725
Other—				
Manufactured.....	143,054	3,035	125,968	3,153
Unmanufactured.....	158,914	5,292	148,632	6,145
Linen manufactures.....	37,106	4,008	33,883	58
Matches.....	178,664	.....	179,953	.....
Mats and matting.....	23,579	.....	28,591	10
Mercury.....	61,833	.....	112,678	.....
Oil.....	708,270	565,836	731,036	561,767
Paint and painters' goods.....	182,228	33,053	152,005	37,528
Paper, and manufactures of, n. e. s.....	368,597	14,698	394,012	12,199

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Perfumery	\$84,530	\$6,902	\$85,703	\$6,855
Pickles and sauces	75,693	3,693	55,765	1,980
Plants, bulbs, and trees	63,061	475	58,413	170
Printers' materials, n. e. s.	56,409	3,319	49,769	2,469
Provisions:				
Dairy products—				
Butter, and substitutes	1,124,156	316	1,208,411	112
Cheese	229,936	73	227,417	15
Milk—				
Fresh	45,939		38,300	
Condensed	811,235	173,174	634,246	91,168
Meat products—				
Lard	100,963	85,270	68,068	53,312
Meat and poultry—				
Fresh (frozen)	2,910,332	9,042	1,831,057	5,280
Salted	470,557	4,662	391,309	2,910
Preserved	219,822	138,787	180,260	98,128
Rail and tramway materials, including locomotives	637,953	22,911	379,609	28,151
Rice	561,668		418,692	112
Seeds	47,151	2,320	33,545	2,967
Sheep dip	40,059	1,790	48,718	4,846
Silk, manufactures of:				
Piece goods	31,768		35,821	
Other	25,251	5	34,697	20
Silver plate, and plated ware	239,753	10,852	211,475	2,880
Soap	505,071	14,286	503,392	15,757
Spirits, wines, and malt liquors:				
Ale, beer, etc.	173,027	5	126,447	73
Wines and spirits	1,336,414	15	1,255,433	214
Sporting goods, toys, etc.	322,135	8,812	332,482	11,209
Stationery, and stationers' goods	975,280	43,292	1,032,549	41,433
Sugar and sugar products	1,725,548	2,646	2,270,908	1,430
Sulphur	111,823	5	25,786	
Stone, marble, etc.	29,325	695	26,561	957
Tar, bitumen, and asphalt	24,577	880	37,213	500
Tea	463,044		492,961	
Tents and tarpaulins	40,381	496	27,913	107
Tin, and manufactures of	90,487	9,398	79,522	7,357
Tobacco:				
Unmanufactured	103,610	6,126	92,439	847
Cigars, cigarettes, etc.	962,424	7,994	1,019,201	4,374
Vegetables:				
Fresh	420,962	2,176	444,403	1,686
Preserved	86,116	8,485	61,881	3,143
Wax, paraffin	452,759	389,063	443,644	259,505
Wood:				
Unmanufactured	872,462	214,491	960,103	327,271
Manufactures, not furniture	347,073	79,321	251,568	59,519
Wool, manufactures of:				
Piece goods	315,421	24	302,070	
Other	395,290	3,542	347,510	4,564
Works of art	30,304	618	27,456	335
Zinc, and manufactures of	366,714	370	365,230	24
All other articles	4,945,259	238,697	5,433,696	316,066
Total	67,118,529	4,407,763	68,786,768	4,255,272

IMPORTS OF FOODSTUFFS DECLINE.

The principal increases noted in the value of merchandise imported into the Transvaal in 1908, when compared with 1907, were found in live animals, flour and meal, sugar and sugar products, butter and butter substitutes, coal and coke, timber, boots and shoes, arms and ammunition, electric cable and fittings, stationery and stationers' goods, electrical machinery, mining machinery, brass and copper ware, wire fencing, wire rope, oils and tobacco. Decreases in Transvaal imports occurred in fodder and forage, garden seeds, corn, grain and malt, fresh fruits, rice, preserved vegetables, condensed milk, eggs, lard, meats and poultry, ale and beer, biscuits and cakes, fish, pickles and sauces, and wines and spirits. The total decrease in

articles of food and drink alone amounted to more than \$2,000,000, which is largely accounted for by the fact that many of the articles under this head that were formerly imported are now produced at home. In raw materials, glycerin for manufacturing purposes showed a decrease of \$242,000, due to local production; unmanufactured leathers decreased \$10,282, nitrates lost \$362,465, and sulphur \$86,037. Of the miscellaneous manufactured goods, musical instruments and phonographs decreased from \$202,692 to \$168,595; imports of jewelry fell off \$108,690; leather manufactures declined \$17,086, paper of all varieties \$34,585, railway and tramway materials \$258,344; in machinery, fire engines decreased \$42,299; manufacturing machinery \$53,879, printing machinery \$7,835, water-boring machinery \$68,667; tin and manufactures lost \$10,965, and candles \$178,193.

IMPORTS FROM THE UNITED STATES.

While the trade of 1908, when compared with that of 1907, showed some material increases in imports of certain lines of goods from the United States, the total value of American imports, taking this consular district as a whole, was less by \$109,744 than during the previous year. Owing to the fact that many articles of American manufacture are sold through and imported from British exporting houses, the true value of American goods brought into the Transvaal each year is not obtainable, credit being given to the country from which the merchandise was directly imported. Some of the principal articles of import from the United States on which losses were sustained in 1908, as compared with 1907, were: Candles, wheaten flour and meal, lard, tinned meats, condensed milk, preserved vegetables, hats and caps, rubber hose, jewelry, lamps and lamp ware, mining machinery, engine and machine oil, plate and sheet steel, manufactured tin, tobacco, carts and carriages, and paraffin wax. There were increased importations from the United States of antifriction grease, medicinal preparations, baking powder, breakfast cereals, cutlery, agricultural implements, iron girders and beams, pipes and piping, boots and shoes, bands and belting, electrical machinery, packing and lagging machinery, water-boring machinery, metal composition, locomotives, sporting goods, steel bars, plate and sheet steel, and timber.

CHARACTER AND VALUE OF EXPORTS.

The total exports of South African produce from the Transvaal in 1908 were valued at \$161,395,093, as compared with \$150,787,006 in 1907. The United Kingdom took \$154,663,542 of this total, and \$6,583,283 went to other South African States, leaving the small balance of \$148,268 of exported articles to be distributed to other countries. Of the 1908 exports, \$143,929,186 consisted of gold bullion and \$9,610,752 of rough diamonds, the great bulk of these shipments going to the United Kingdom. Other exports were: Copper, \$242,217; coal, \$169,302; tin, \$335,630; lead, \$189,445; corn, shipped almost entirely to other South African States, \$709,000; skins, \$600,000; jewelry and plated ware, mostly sent to other parts of South Africa, \$250,000; tobacco, \$443,000; and wool, \$1,125,000.

Aside from the \$11,000,000 increase in the gold exports, the only other noticeable gain over 1907 was shown by the corn shipments, which increased from \$180,700 to \$709,000.

The total value of the articles declared through the American consulate for shipment to the United States from this district was \$22,991 in 1908, against \$12,777 in 1907. The items making up the 1908 total were: Household goods, \$14,743; personal effects, \$4,500; miscellaneous, \$153; and returned American goods consisting of \$1,106 worth of machinery and \$2,489 worth of rough diamonds. In 1907 the items were: Curios, \$433; household goods, \$5,881; and returned American goods, \$6,463.

GROWING MARKET FOR MINING AND AGRICULTURAL MACHINERY.

With the ever-increasing output of gold in the Transvaal and the consequent enlargement of the equipment of the mines, the market for mining machinery of all kinds is reaching tremendous proportions, and American manufacturers should be fully alive to the great opportunities offered here for their products. While the 1908 gold output was a record one, greatly surpassing anything of the kind in the world's history, that of 1909 will be even better, it being estimated that the ore crushed during 1909 will exceed that of 1908 by about 3,500,000 tons. Among the projected increases in machinery and plants are 1,525 stamps and 64 tube mills. Added to this is the electrical equipment required for the new power scheme for the supply of power to the Rand group mines. From a purely commercial aspect, nothing in recent years has approached these extensions and improvements, calling, as they do, for millions of dollars' worth of machinery and equipment.

In addition to this demand for mining machinery and supplies there is going to be a steadily increasing market for agricultural machinery to keep pace with the development in agriculture throughout this consular district. While the United States leads all other countries in the supply of agricultural machinery in this market, its trade should be far larger than it is. The United Kingdom, Germany, and Canada are all making determined efforts to increase their share in this commerce. There is a steady demand for American cooking stoves and kitchen utensils, office furniture, typewriters, hardware, tools, wire fencing, lamps, boots, shoes, musical instruments, clocks, watches, perfumery, toilet soaps, photographic materials, playing cards, and the like; while there is an even chance, if not a preference, for the American make of vehicles, school furniture, bottles, jars, horseshoes, rubber hose, surgical instruments, structural iron and steel, pipes and piping, wall paper, sporting goods, toys and fancy goods, and many other articles of everyday use.

TRANSVAAL BUYS ONE-THIRD OF TOTAL SOUTH AFRICAN IMPORTS.

The Transvaal, which enjoys the distinction of producing one-third of the world's supply of gold, besides being one of the largest producers of diamonds and base metals, is now and will be for many years a most inviting market for foreign products. When it is considered that this colony alone bought goods from foreign countries to

the amount of nearly \$70,000,000 in 1908, her imports being considerably more than one-third of those of all British South Africa, the importance of this market becomes apparent. Of the items making this total there was one of \$1,198,229 for electrical machinery and one of \$3,030,777 for mining machinery, and the textile imports were valued at \$12,061,562.

In addition to the Transvaal market there is included in this consular district Orange River Colony, a large buyer of agricultural and other machinery, most of which should come from the United States; while Southern and Northwestern Rhodesia, rich in mining and agricultural resources, are rapidly being developed and are each year becoming larger purchasers of products manufactured in the United States.

Johannesburg is the most populous city of South Africa and the recognized financial and commercial metropolis of the country. It is fast becoming the distributing point for most of the foreign trade, and it is here that American manufacturers and exporters should concentrate their efforts if they wish to share fairly with their competitors in supplying this market with over-sea products, for which orders to the amount of more than \$80,000,000 were sent out from this consular district alone in 1908.

ORANGE RIVER COLONY.

By CONSUL EDWIN N. GUNSAULUS, JOHANNESBURG.

While there was a marked improvement in the trade of the Johannesburg consular district, of which the Orange River Colony is a part, the import and export trade of the colony, exclusive of imports for the use of the government and specie, showed a falling off of \$3,212,127 in 1908 when compared with 1907 values. Imports of merchandise declined from \$15,895,184 in 1907 to \$13,643,844 in 1908, a loss of \$2,251,340, and exports, including diamonds and specie, dropped from \$18,254,479 to \$17,293,692 during this same period, a decrease of \$960,787. Imports from the United States fell from \$788,495 in 1907 to \$712,066, a loss of 9.7 per cent, according to British official figures; but the true value of goods imported from the United States is not obtainable, owing to the fact that many articles of American manufacture are sold through and imported from British mercantile houses and credit is given to the United Kingdom for these imports.

TOTAL IMPORTS AND SHARE OF THE UNITED STATES.

The principal articles imported into Orange River Colony during 1907 and 1908, respectively, with the share of this trade which went to American exporters, are shown in the comparative table following.

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Aerated waters.....	\$10, 117	\$10	\$9, 543	\$34
Animals, live.....	1, 083, 226	10, 455	1, 068, 073	7, 580
Apparel and slops.....	929, 166	2, 076	831, 578	1, 586
Arms and ammunition.....	66, 023	3, 455	67, 585	2, 344
Bags, not leather or paper.....	223, 299		222, 472	243
Breadstuffs:				
Biscuits and cakes.....	50, 962		45, 097	20
Corn, grain, and malt.....	467, 749	8, 893	341, 171	7, 280
Flour and meal.....	779, 881	10, 326	390, 921	9, 069
Brush ware.....	14, 817	4, 861	16, 214	3, 937
Candles.....	99, 921	1, 089	96, 077	72
Canvas and duck.....	11, 987	876	11, 446	796
Cars, carriages, etc.:				
Motor.....	32, 435	803	18, 362	248
Other.....	459, 821	21, 851	394, 424	19, 014
Cement.....	52, 087	10	21, 734	10
Chemicals, drugs, and medicines.....	172, 391	23, 248	156, 536	13, 462
Clocks and watches.....	29, 685	5, 425	31, 555	8, 340
Coal and coke.....	173, 885		96, 721	
Coffee.....	276, 597	1, 272	264, 318	20
Confectionery, jams, and jellies.....	171, 894	1, 230	149, 908	1, 809
Cordage and rope.....	8, 004	394	11, 188	1, 737
Cotton, manufactures of:				
Piece goods.....	528, 310	929	561, 207	486
Other.....	259, 327	1, 148	260, 062	1, 123
Earthen and china ware.....	62, 968	208	50, 436	125
Eggs.....	11, 076		9, 139	35
Electric cables and fittings.....	56, 271	4, 157	29, 837	1, 429
Explosives.....	169, 500		102, 949	
Fish.....	114, 372	10, 838	94, 933	7, 553
Fodder and forage.....	172, 178		44, 343	
Food and drink, n. e. s.....	161, 236	17, 740	149, 764	15, 783
Fruits and nuts:				
Fresh.....	161, 106	292	157, 139	248
Dried or preserved.....	43, 654	4, 137	40, 336	3, 189
Furniture, carpets, etc.....	249, 845	24, 533	195, 190	18, 294
Glass and glassware.....	49, 331	6, 706	48, 815	5, 309
Grease, antifriction.....	30, 079	1, 815	19, 689	1, 153
Haberdashery and millinery.....	969, 429	1, 114	927, 025	1, 294
Hair, Angora.....	14, 731		16, 674	
Hats and caps.....	69, 401	282	65, 396	263
Instruments:				
Musical.....	61, 035	9, 362	47, 166	4, 887
Other.....	9, 460	773	18, 444	3, 080
Iron and steel, and manufactures of:				
Implements, agricultural.....	212, 024	93, 777	235, 352	96, 011
Machinery:				
Agricultural.....	25, 105	5, 980	63, 326	7, 455
Electrical.....	87, 456	5, 859	18, 307	5, 639
Manufacturing.....	75, 673	973	21, 261	1, 144
Mining.....	394, 317	6, 311	170, 307	22, 288
Water-boring.....	157, 761	67, 220	85, 294	62, 403
Other, and parts.....	300, 606	8, 462	151, 418	14, 366
Wire:				
Fencing, and standards.....	245, 645	85, 533	220, 894	85, 548
Rope.....	42, 610	10	16, 170	117
Other.....	856, 507	47, 312	587, 963	35, 471
Jewelry.....	275, 239	10, 663	295, 168	107
Lamp ware.....	12, 355	2, 395	9, 422	2, 195
Leather, and manufactures of:				
Boots and shoes.....	635, 219	5, 440	606, 288	4, 036
Saddlery and harness.....	80, 612	803	88, 745	419
Other:				
Manufactured.....	23, 831	253	21, 817	117
Unmanufactured.....	49, 706	3, 233	52, 554	3, 391
Linen manufactures.....	16, 478	10	9, 850	
Matches.....	57, 926		56, 168	
Oils.....	128, 427	101, 600	121, 541	96, 489
Paints and painters' goods.....	41, 782	9, 187	37, 399	8, 069
Paper, and manufactures of, n. e. s.....	48, 499	1, 192	46, 562	1, 412
Perfumery.....	14, 351	1, 212	10, 278	1, 333
Pickles and sauces.....	11, 962	268	10, 370	294
Plants, bulbs, and trees.....	55, 853		32, 435	
Provisions:				
Dairy products—				
Butter and substitutes.....	56, 275	39	51, 293	26
Cheese.....	42, 054	29	35, 087	
Milk, condensed.....	84, 565	2, 687	65, 152	1, 139

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Provisions—Continued.				
Meat and poultry—				
Fresh (frozen).....	\$87,227	\$73	\$35,787	.....
Salted.....	61,965	453	49,225	\$136
Preserved.....	85,805	27,856	21,647	14,585
Rail and tramway materials, including locomotives.....	80,087	535	23,695	.....
Rice.....	30,236	.....	38,552	.....
Seeds.....	31,783	637	19,593	920
Sheep dip.....	114,946	4,900	107,475	23,014
Silk manufactures.....	20,006	.....	21,559	.....
Silver plate, and plated ware.....	37,748	1,567	51,618	1,509
Soap.....	117,531	2,191	120,188	2,441
Spirits, wines, and malt liquors:				
Ale and beer.....	190,523	.....	148,871	.....
Wines and spirits.....	277,784	19	240,558	5
Sporting goods, toys, pipes, etc.....	77,074	642	55,600	443
Stationery, and stationers' goods.....	230,156	11,646	230,789	13,694
Stones, marbles, etc.....	11,991	146	10,468	102
Sugar, and sugar products.....	527,653	3,709	647,979	3,782
Sulphur.....	13,807	.....	14,069	.....
Tea.....	63,933	.....	93,602	.....
Tents and tarpaulins.....	22,620	418	31,482	39
Tin, and manufactures of.....	21,256	63	16,097	54
Tobacco, and manufactures of.....	348,325	1,460	339,114	584
Vegetables.....	76,380	982	77,848	662
Wood:				
Unmanufactured.....	218,964	16,250	183,495	14,678
Manufactured, n. e. s.....	152,740	40,007	114,781	26,526
Wool, manufactures of:				
Piece goods.....	60,652	39	61,946	92
Other.....	341,103	457	407,151	1,060
Works of art.....	12,989	.....	8,716	39
All other articles.....	198,796	34,079	267,551	14,486
Total.....	15,895,184	788,495	13,643,844	712,066

DECREASE IN IMPORTS.

The Orange River imports showed many decreases, the chief ones being in fodder and forage, garden seeds, coffee, corn and grain, flour and meal, condensed milk, meat and poultry, ale and beer, confectionery, and wines and spirits. There were also losses in coal and coke, furniture and carpets, antifriction grease; electrical, manufacturing, mining, and water-boring machinery; wire rope, boots and shoes, blasting compounds, cement, and drugs and chemicals. On the other hand, there were substantial increases in imports of agricultural implements, sugar and sugar products, plate and plated ware, cotton piece goods, and jewelry.

The principal decreases in American merchandise imported into Orange River Colony were in medicinal preparations, preserved meats, furniture and cabinet ware, musical instruments, jewelry, and water-boring machinery, this falling off being due to the general dullness of trade throughout the colony.

The exports from Orange River Colony, including diamonds and specie, amounted to \$17,293,692 in 1908, against \$18,254,479 in 1907.

NORTHWESTERN RHODESIA.

By CONSUL EDWIN N. GUNSAULUS, JOHANNESBURG.

The territory of Northwestern Rhodesia, which is embraced within the Johannesburg consular district, lies north of the Zambesi River. The commerce of the territory is of small proportions at present, the total trade for 1908, exclusive of imports for the use of the government and specie, amounting to but \$1,089,501. However, this was \$104,284 more than in 1907, or a gain of 10.5 per cent. Imports of merchandise in 1908 were valued at \$513,668, as compared with \$520,467 the year previous, a loss of \$6,799, and exports amounted to \$575,833, an increase of \$111,083 over 1907.

TOTAL IMPORTS, AND SHARE OF THE UNITED STATES.

The principal articles imported into Northwestern Rhodesia during 1907 and 1908, with the share of this trade which was credited to the United States, are shown in the following comparative statement:

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Animals, live.....	\$41,935	.....	\$67,761	.....
Apparel and cloths.....	21,792	\$282	22,955	\$530
Arms and ammunition.....	48,227	175	15,456	88
Beads.....	1,694	.....	1,382	.....
Bags, not leather or paper.....	2,180	.....	2,336	.....
Brass and copper ware.....	1,382	.....	1,168	.....
Breadstuffs:				
Biscuits and cakes.....	2,711	10	2,409	.....
Flour and meal, wheaten.....	15,067	806	14,984	350
Candles.....	1,798	.....	1,200	.....
Cars, carriages, etc.:				
Bicycles and tricycles.....	2,576	24	2,341	39
Carriages and carts.....	11,626	83	9,426	156
Chemicals, drugs, and medicines.....	4,034	83	3,304	58
Clocks and watches.....	1,037	331	1,069	526
Coffee.....	2,209	19	2,073	10
Confectionery, jams, and jellies.....	3,046	5	3,616	5
Cotton, manufactures of:				
Blankets, rugs, and sheets.....	22,152	.....	22,250	.....
Hosiery.....	4,341	136	13,965	263
Piece goods.....	68,520	10	57,726	5
Shawls.....	9,018	.....	12,958	.....
Other.....	8,591	19	4,820	10
Earthen and china ware.....	837	.....	998	5
Fish.....	2,428	297	2,229	146
Fruit, fresh, dried, and tinned.....	4,632	968	5,742	754
Furniture, carpets, etc.....	6,682	526	6,566	292
Glass and glassware.....	779	5	827	5
Gold, raw (Kongo Free State).....	54,622	.....	28,732	.....
Haberdashery and millinery.....	9,373	82	10,190	10
Hats and caps.....	3,621	68	2,832	141
Instruments, musical, etc.....	1,849	117	1,479	.....
Iron and steel, manufactures of:				
Hardware and cutlery.....	20,230	1,489	15,561	1,475
Implements agricultural.....	2,209	628	2,801	1,158
Machinery—				
Mining.....	6,545	4,905	865	326
Water-boring.....	1,903	1,246	370	175
Other.....	22,216	876	8,808	336
Other.....	4,769	.....	4,122	10
Leather, and manufactures of:				
Boots and shoes.....	5,280	44	5,713	29
Other.....	1,917	10	2,681	.....
Matches.....	1,450	.....	1,069	.....
Oils.....	1,825	822	1,440	720
Painters' goods.....	808	350	1,367	302
Photographic materials.....	1,144	375	2,170	346
Pickles, sauces, and spices.....	1,280	15	1,080	15

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Plants, bulbs, and trees.....	\$311		\$1,075	
Provisions:				
Dairy products—				
Butter.....	3,090	\$10	2,073	
Milk, condensed.....	2,649	54	2,151	\$102
Meat products—				
Bacon and hams.....	3,538	19	2,506	10
Meats, tinned.....	2,443	788	2,248	908
Rice and paddy.....	857	15	1,280	
Salt, table.....	3,129		3,611	
Silver plate, and plated ware.....	265		1,986	
Soap.....	3,270	19	2,540	44
Spirits, wines, and malt liquors:				
Ale, beer, and stout.....	3,319		5,436	
Spirits and liquors.....	11,709		14,731	
Wines.....	3,694		5,115	
Stationery, and stationers' goods.....	9,280	180	7,962	701
Sugar, and sugar products.....	5,419	20	4,496	34
Tea.....	3,202		2,594	
Tents and tarpaulins.....	1,694		2,852	
Tin, manufactures of.....	1,002		847	
Tobacco:				
Raw.....	3,543	34	2,867	24
Cigars.....	1,037		1,299	5
Cigarettes.....	7,368	39	6,670	5
Vegetables.....	4,224	39	4,141	15
Wood, and manufactures of:				
Planed and grooved.....	2,024	224	2,190	175
Other—				
Manufactured.....	2,448	423	4,214	131
Unmanufactured.....	1,981	24	1,908	
Wool, manufactures of:				
Blankets and rugs.....	3,372		2,716	
Shawls.....	1,679		1,314	
All other articles.....	3,501	2,365	51,329	1,283
Total.....	520,467	19,140	513,668	11,782

The imports for the government of the territory amounted to \$65,615 in 1908, against \$32,727 in 1907, while specie to the value of \$4,837 was imported in 1908 and \$6,390 worth in 1907.

SOURCES OF IMPORTS—EXPORTS INCREASE.

The United Kingdom supplied \$278,023 worth of the merchandise imported into Northwestern Rhodesia in 1908, against \$279,897 the previous year. The imports of merchandise from foreign countries were valued at \$145,060 in 1908 and \$171,617 in 1907, and purchases of South African produce amounted to \$90,585 and \$68,953 for these same years. Imports from the United States fell from \$19,140 in 1907 to \$11,782 in 1908, a loss of 38.4 per cent, according to British official figures; but the true value of goods imported from the United States is not represented by these figures, as many articles of American manufacture are imported through British firms and credited to the United Kingdom.

The total value of all articles exported from Northwestern Rhodesia in 1908 was \$575,833, as compared with \$464,750 in 1907. Merchandise other than gold formed \$372,540 of the total in 1907 and \$412,966 in 1908. Gold mined in the territory was exported to the extent of \$6,930 in 1907, with none in 1908, and exports of gold produced in the Kongo Free State fell from \$54,621 to \$28,732 in 1908. Specie exports were valued at \$30,659 in 1907 and \$133,342 in 1908, and exports to other colonial governments, amounting to \$793, made up the balance of the total exports for 1908.

SOUTHERN RHODESIA.

By CONSUL EDWIN N. GUNSAULUS, JOHANNESBURG.

During 1908 there was rapid development of the mining and agricultural resources of the territory of Southern Rhodesia, which forms a part of the Johannesburg consular district, and the import and export trade, exclusive of imports for the use of the government, and specie, showed an increase of \$2,524,163 over the total for 1907. Imports of merchandise in 1908 were valued at \$7,915,119 as compared with \$6,663,297 the year previous, a gain of \$1,251,822, and exports amounted to \$13,313,210, an increase of \$1,272,341 over the \$12,040,869 total for 1907. According to British figures, imports from the United States rose from \$394,526 in 1907 to \$521,060 in 1908, a gain of 32 per cent; but the true value of goods imported from the United States is not obtainable, owing to the fact that many articles of American manufacture are sold through and imported from British exporting houses and credit is given to the country from which the goods are directly imported.

SHARE OF THE UNITED STATES IN IMPORTS.

The principal articles imported into Southern Rhodesia during 1907 and 1908, with the share of this trade which went to American exporters, are shown in the following table:

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Aerated waters.....	\$10,516	.....	\$14,254	.....
Animals, live.....	360,651	.....	562,225	\$2,193
Apparel and slope.....	377,629	\$9,338	482,109	11,404
Arms and ammunition.....	93,845	643	112,396	390
Bags, not leather or paper.....	56,056	.....	61,799	263
Brass and copper ware.....	10,116	.....	12,995	5
Breadstuffs:				
Biscuits and cakes.....	31,122	.....	37,928	19
Corn, grain, and malt.....	50,236	10	76,374	5
Flour and meal.....	171,013	27,221	190,081	22,721
Brush ware.....	8,384	1,022	11,815	1,294
Candles.....	93,674	.....	110,668	.....
Cars, carriages, etc.:				
Motor vehicles.....	13,775	2,067	14,817	112
Other.....	141,770	11,619	187,640	13,423
Cement.....	16,365	.....	16,156	.....
Chemicals, drugs, and medicines.....	197,321	6,668	263,676	6,874
Clocks and watches.....	11,363	3,456	14,478	4,590
Coffee.....	28,032	.....	31,042	.....
Confectionery, jams, and jellies.....	48,354	253	60,879	433
Cordage, rope, twine, etc.....	7,381	30	10,123	78
Cotton, manufactures of:				
Piece goods.....	274,142	112	321,144	555
Other.....	361,308	2,969	422,641	4,702
Earthen and china ware.....	13,696	136	16,136	97
Eggs.....	9,539	.....	12,228	.....
Electrical cables and fittings.....	15,757	847	12,909	580
Fish.....	75,126	6,316	86,166	4,590
Food and drink, n. e. s.....	93,912	9,743	101,591	12,133
Fruits and nuts:				
Fresh.....	45,457	.....	54,153	49
Dried or preserved.....	26,318	10,389	31,836	8,631
Furniture, carpets, etc.....	59,857	2,892	85,211	5,427
Glass and glassware.....	14,215	263	17,976	354
Grease, antifriction.....	6,949	730	10,375	647
Haberdashery and millinery.....	148,329	808	183,247	706

Articles.	1907.		1908.	
	Total.	United States.	Total.	United States.
Hats and caps.....	\$48,465	\$4,214	\$58,045	\$3,811
Instruments, musical, etc.....	22,344	1,138	23,796	1,586
Iron and steel, manufactures of:				
Implements, agricultural.....	60,572	23,904	80,778	36,099
Machinery—				
Agricultural.....	19,760	3,723	12,267	2,093
Electrical.....	23,140	2,409	17,930	4,015
Mining.....	306,997	31,661	324,839	74,832
Water-boring.....	50,290	292	67,367	32,533
Other, and parts.....	343,834	29,890	385,470	21,208
Wire—				
Fencing, and standards.....	18,385	3,547	16,127	3,348
Rope.....	9,142	—	14,283	170
Other.....	361,357	28,600	416,153	41,022
Jewelry.....	56,976	185	102,128	540
Leather, and manufactures of:				
Boots and shoes.....	128,742	2,108	144,281	1,957
Saddlery and harness.....	12,641	204	19,166	209
Other—				
Manufactured.....	22,628	345	26,386	122
Unmanufactured.....	11,757	370	11,455	404
Matches.....	16,570	—	18,556	—
Mercury.....	12,010	—	16,296	—
Oils.....	74,320	32,797	108,664	58,416
Paints, and painters' goods.....	20,522	4,239	26,253	3,680
Paper and manufactures of, n. e. s.....	13,323	165	16,330	189
Perfumery.....	8,651	355	11,177	462
Pickles, sauces, and spices.....	18,438	340	22,682	565
Provisions:				
Dairy products—				
Butter, and substitutes.....	67,049	—	72,967	5
Cheese.....	19,626	136	20,361	19
Milk, condensed.....	57,526	584	60,749	603
Meat products—				
Lard.....	11,586	7,908	15,050	8,803
Meats—				
Salted.....	55,924	418	54,781	341
Preserved.....	90,639	45,647	85,814	63,528
Rail and tramway materials, including locomotives.....	355,117	10	228,705	315
Rice.....	63,984	78	66,153	39
Silver plate, and plated ware.....	21,413	165	28,166	10
Soap, etc.....	41,325	1,021	58,558	1,498
Spirits, wines, and malt liquors:				
Ale and beer.....	62,802	—	83,240	—
Wines and spirits.....	223,308	19	268,197	88
Sporting goods, toys, pipes, etc.....	30,979	141	40,871	447
Stationery, and stationers' goods.....	89,543	2,437	117,024	2,578
Sugar, and sugar products.....	83,917	312	112,907	136
Tea.....	46,352	691	53,978	5
Tents and tarpaulins.....	8,666	—	15,294	5
Tin, and manufactures of.....	20,463	48	33,437	43
Tobacco, and manufactures of.....	163,968	637	170,773	744
Vegetables.....	27,192	272	39,383	302
Wood:				
Unmanufactured.....	46,298	12,428	81,007	12,346
Manufactured, n. e. s.....	17,022	7,089	41,878	11,127
Wool, manufactures of.....	38,030	273	62,562	520
Zinc, and manufactures of.....	21,899	—	24,036	—
All other articles.....	486,737	46,804	509,743	28,869
Total.....	6,663,297	394,526	7,915,119	521,060

The imports of raw gold in transit amounted to \$83,744, against \$57,873 in 1907, while the imports of specie in 1908 were valued at \$680,209, as compared with \$426,018 in 1907. The imports for the government increased from \$124,401 in 1907 to \$170,001 in 1908.

SUBSTANTIAL GAINS IN IMPORTS.

The distinct improvement in the trade of Southern Rhodesia during 1908 resulted in substantial gains in the value of imports in nearly all lines. Some of the more important increases were in implements, coffee, corn and grain, flour and meal, rice, sugar and sugar products,

butter, condensed milk, lard, preserved meats, ale and beer, confectionery, fish, pickles, wines, and spirits. There was a large increase in furniture, glass and glassware, silver plate, and plated ware. Electrical, mining, and water-boring machinery were also sold in greater quantities. Imports of brass and copper ware, tin and tin manufactures, general hardware, candles, oils, paints, and soaps show substantial increases. In wearing apparel, there was a marked increase in the imports of boots and shoes, cotton piece goods and other cotton manufactures, haberdashery and millinery, hats and caps, and woolen manufactures. Gains also appeared in arms and ammunition, drugs and chemicals, earthenware and china, jewelry, leather manufactures, saddlery and harness, sporting goods and toys, stationery, and vehicles.

Imports of American merchandise showed increases during 1908 in nearly every article brought into the country. In food and drink articles alone the trade increased from \$114,156 in 1907 to \$125,511 in 1908. Other material gains are found in cotton manufactures, furniture, hardware, mining and electrical machinery, engine and machine oils, paraffin and other oils, and carts and carriages.

BRITISH EAST AFRICA.

UGANDA.

PREPARED IN THE BUREAU OF MANUFACTURES FROM BRITISH OFFICIAL SOURCES.

The total foreign trade, including specie, of the Uganda Protectorate in the fiscal year ended March 31, 1908, amounted to \$2,523,933, against \$2,006,025 in the previous fiscal year. The imports for the fiscal year 1907-8 were valued at \$1,808,231 and the exports at \$715,702, while the imports and exports for 1906-7 amounted to \$1,441,516 and \$564,509, respectively.

The imports into the Protectorate, exclusive of bullion and specie, but including goods in transit, by principal countries, for the fiscal years ended March 31, 1907 and 1908, were as follows:

Country.	1906-7.	1907-8.	Country.	1906-7.	1907-8.
United States.....	\$228,974	\$133,391	Russia.....	\$11,368	\$13,231
British India and Burma...	92,960	113,560	United Kingdom.....	424,345	694,965
France.....	19,612	34,295	Other countries.....	254,146	368,412
Germany.....	262,461	185,321			
Kongo Free State.....	157,110	183,351	Total.....	1,285,856	1,533,235

Rice to the value of more than \$24,000 was imported from German East Africa. It has been arranged for an expert from India to instruct the natives of the Protectorate in the best methods of growing rice, and it is hoped that in the near future all the rice required for home consumption will be produced locally. The imports of hardware more than doubled in value, and there was an increase in the receipts of machinery due to the establishment of additional ginneries for the cotton industry, and also to the transit of material intended for the gold mines in the Kongo Free State. The imports of unbleached calico, known as Americani, showed a remarkable decrease.

This calico comes from the United States and has been almost exclusively used by the natives for making the long gowns which form their principal article of clothing. During the year the natives evinced a preference for cotton cloth of much better quality. This was the cause of the decrease in the imports from the United States, which was more than counterbalanced by the increased purchases of long cloth and of other superior qualities of cotton and woollen goods manufactured in the United Kingdom.

In exports increases were shown in cotton, cotton seed, hippopotamus teeth, sheepskins, and ivory. The remarkable development of the cotton industry during 1908 is of the highest importance to the Protectorate. The exports during the year amounted to about 650 tons of ginned cotton, valued at \$229,281, besides a considerable quantity of unginned cotton, which was shipped to British East Africa.

ZANZIBAR.

By CONSUL ARTHUR GARRELS.

The commercial importance of Zanzibar is almost entirely due to its position as a distributing and transshipping center. Only about 45 per cent of its exports, exclusive of specie, are of its own production. Although Zanzibar has lost much business with the ascendancy of Mombasa and Daressalaam, it is still the commercial gateway for nearly all of the smaller ports in German and British East Africa, as well as for many on the Italian Benadir coast. Zanzibar merchants not only did a great deal of business directly with these smaller ports, but a considerable portion, almost \$400,000 of the imports in 1908, came from Daressalaam and Mombasa for reshipment by dhows. Zanzibar can suffer greatly only when a system of railroads connects all of the ports on the mainland, along the entire coast.

The trade of Zanzibar in 1908 fell back to its normal proportions after a large increase in 1907. The increase of imports in 1907 over those of 1906 amounted to almost 50 per cent. This increase resulted from an unusually large clove crop in 1907; a rate war in ocean freight rates in 1907 also had its influence. In the following statement is shown the imports into and exports from Zanzibar, by countries, during 1907 and 1908:

Country.	Imports.		Exports.	
	1907.	1908.	1907.	1908.
United States.....	\$233,510	\$159,085	\$190,622	\$173,030
British East Africa.....	a 442,742	a 244,011	b 528,819	b 402,447
British India.....	1,633,024	844,234	1,039,117	1,322,744
France.....	49,967	41,423	679,847	606,474
Germany.....	301,830	196,880	716,922	395,568
German East Africa.....	a 623,530	a 539,385	b 836,749	b 961,902
Netherlands.....	304,842	219,482	98,966	53,597
United Kingdom.....	940,410	896,201	693,250	437,453
All other countries.....	c 1,469,388	1,679,976	b 484,038	b 344,423
Total.....	6,000,183	4,719,732	5,207,430	4,757,628

a Imports for reexportation.

b Reexports.

c Principally from Asiatic ports.

Of the exports in 1908, \$563,671 was specie and bullion, which went chiefly to British India.

DISTRIBUTION OF TRADE.

The United States furnished about 4 per cent of the imports and took about 4 per cent of the total exports of Zanzibar. The United Kingdom contributed not quite 19 per cent of the imports. Of this amount cotton goods made up 43 per cent. Only 9 per cent of the exports were taken in return, and of this amount 45 per cent was represented by cloves. Other leading articles taken by the United Kingdom were ivory and gum copal.

The largest volume of business in both imports and exports is done with British India, principally through Bombay. The large Indian population in Zanzibar, estimated at 25,000 to 35,000, naturally prefers its supplies from home markets. The large number of Indian merchants also give their home markets the preference. Many local firms are branches of houses in Bombay, which is the nearest metropolitan center of trade and industry, and draw their financial support from there.

The absorption of Indian cotton goods by the local market is steadily increasing. Indian cottons are cheaper and imitate the English and American product. The large quantity of rice is imported mostly by Indian merchants, a number combining to bring out a full cargo ship. The cloves exported are consumed in Bombay for manufacturing and food purposes. The ivory sent to India is made up of the smaller tusks and bangle ivory, which is the hollow end of the larger tusks. These ends being hollow in the center, are readily made into large rings and other ornaments for personal adornment.

Imports from African ports constitute nearly 25 per cent of the total imports, and consist chiefly of raw products intended for reshipment. The exports to African ports make up 35 per cent of the total, and consist largely of cotton goods and provisions.

Germany furnished about 5 per cent of the imports into Zanzibar, sugar being the principal item. That country took about 8 per cent of the exports, cloves and clove stems making 85 per cent of Germany's purchases. Hamburg is the destination of all cloves going to Germany. German houses have long been established here, and are the principal factors in the trade with the Indian retailer and jobber, whom they control through supplying stocks of goods on long credits. The Deutsche Ost-Afrika Linie, a German corporation, handles over 50 per cent of the freights in and out of Zanzibar.

The Netherlands furnished about 5 per cent of the imports, made up largely of cotton. Almost all of the cotton goods from continental countries came from Netherlands and are cotton prints. However, only the printing process takes place there, the material itself coming almost entirely from England. These pieces are known as khangas and two pieces, each about two yards long, go to make up the dress of the native swahili woman. The goods are printed in striking designs of yellow, black, and red.

France furnished less than 1 per cent of the imports, and took almost the entire exportation of copra, which went to Marseilles, where it is made into oil and other products.

IMPORTS AND EXPORTS BY ARTICLES.

In the following statement is given the value of the imports into Zanzibar and exports therefrom, exclusive of goods shipped to African ports, by articles, during 1908:

Articles.	Value.	Articles.	Value.
IMPORTS.		EXPORTS.	
Copra.....	\$109,547	Cloves.....	\$1,283,348
Cotton piece goods:		Clove stems.....	69,683
Americanl.....	97,167	Copra.....	583,679
Gray shirting.....	27,533	Cotton, and manufactures of:	
Kaniki.....	123,536	Raw.....	14,997
Khangas.....	271,140	Piece goods—	
Other.....	382,527	Americanl.....	6,088
Flour.....	69,688	Khangas.....	3,618
Ghee (butter).....	120,896	Coins.....	553,484
Grain:		Fish, dried.....	19,496
Matama.....	59,857	Gum copal.....	79,876
Rice.....	979,190	Groceries.....	7,578
Groceries.....	103,360	Hides and skins.....	46,102
Iron and steel, manufactures of:		Ivory tusks.....	264,491
Hardware.....	81,838	Rubber.....	10,463
Sheets, iron.....	23,755	Sim sim.....	12,279
Ivory.....	246,884	Shells:	
Petroleum.....	153,308	Tortoise.....	18,989
Provisions, tinned.....	31,234	Other.....	14,005
Sim sim.....	39,192	Teeth, rhinoceros, etc.....	30,287
Sugar.....	102,727	Wax.....	27,661
Timber.....	55,977	All other articles.....	58,923
Tobacco.....	45,790		
All other articles.....	1,565,586	Total.....	3,105,049
		Gold, bullion.....	10,187
Total.....	4,719,732	Grand total.....	3,115,236

The value of the exports from Zanzibar to Africa during 1908 is shown, by articles, in the following table:

Articles.	Value.	Articles.	Value.
Bags.....	\$28,228	Iron and steel, manufacture of—Cont'd.	
Beads.....	13,191	Machinery.....	\$9,042
Coal.....	6,637	Sheets, iron.....	9,232
Colr.....	8,599	Wire.....	12,283
Cotton piece goods:		Other.....	152,734
Americanl.....	81,291	Petroleum.....	79,962
Gray shirting.....	42,020	Provisions:	
Kaniki.....	79,464	Ghee (butter).....	14,489
Khangas.....	140,070	Tinned.....	7,242
Other.....	300,732	Soap.....	25,438
Crockery and glassware.....	18,822	Tea.....	7,002
Donkeys.....	5,761	Timber.....	30,285
Fish, dried.....	15,559	Tobacco.....	31,707
Flour.....	11,933	All other articles.....	30,335
Grain:			
Rice.....	268,908	Total.....	1,580,214
Other.....	37,874	Coins.....	62,178
Groceries.....	77,698		
Iron and steel, manufactures of:		Grand total.....	1,642,392
Cutlery.....	6,376		
Hardware.....	27,290		

The imports into Zanzibar from the United States in 1908 were valued at \$159,085, against \$233,510 in 1907. Imports of cotton piece goods known as Americani decreased \$42,100, while machinery dropped from \$24,750 to \$14,589. The imports, by articles, during 1907 and 1908, respectively, are shown in the table following.

Articles.	1907.	1908.	Articles.	1907.	1908.
Carriages.....	\$1,216	.....	Petroleum.....	\$60,247	\$46,018
Coffee.....	1,040	\$1,049	Tobacco.....	.....	139
Cotton piece goods:			All other articles.....	2,125	2,169
American.....	122,504	80,404			
Other.....	10,827	8,361	Total.....	233,610	159,085
Groceries.....	9,221	6,135			
Iron and steel manufactures of:					
Machinery.....	24,756	14,589			
Hardware, etc.....	1,574	201			

The declared value of exports from Zanzibar to the United States during 1908 was \$226,544, against \$273,875 in 1907. Four articles disappeared from the list of exports—beeswax, chillies, gum copal, and hides. The articles in 1908 and their value were as follows: Cloves, \$92,499; clove stems, \$28,531; ivory tusks, \$91,605; goatskins, \$13,521 shells, \$357; household effects, \$31.

ANALYSIS OF AMERICAN TRADE.

The decrease in the imports from the United States during 1908 was in common with a like condition of those from other countries. An additional influence in the decrease of the sale of cotton goods was the high prices prevailing in the American market as the result of a strong demand at home. The groceries were in the main soda biscuits. The large difference in the imports of machinery is due to the importation of a boiler plant in 1907 for the local electric light company. The heading of machinery embraces all kinds of machinery and supplies, heavy hardware and sewing machines. A German firm has a steady demand for sewing machines of American make which seems to be increasing yearly. The apparent decrease in petroleum does not reflect an actual falling off in the imports, but is the result of the time of arrival of an oil steamer. This steamer due in the early part of December, 1908, arrived later in the month and was not fully discharged until January, 1909, to which year the shipment was accredited. The consumption of American oil, as a matter of fact, is increasing. The oil is handled by a German firm which does its business with the Cape Town branch of an American company.

The amount of exports to the United States, as far as the items of ivory and goatskins are concerned, is governed entirely by the local supply. The American market always absorbs everything of the kind that may be offered. After a large crop of cloves the United States also takes its proportion of the increase. There is a steady decline in the exports to the United States of goatskins, due to the fact that much of the supply formerly coming from the Italian Benadir coast is now being diverted to Aden.

An American company controls the local electric-light plant, a 7-mile narrow-gauge railway, and a small telephone exchange. Supplies of American manufacture used by these enterprises are handled through a London supply house. Two American exporting and importing firms have branches here. The one has been established since 1832 and confines its business to the importation of cotton goods and the exportation of ivory, goatskins, and cloves. The other has been in business about three years and operates along the same lines, but intends to go into a general merchandise business, drawing its goods from European as well as American markets.

SHIPPING, REVENUES, ETC.

In 1908 the foreign shipping was represented by 2 sailing vessels and 200 steamships. Of these 121 carried the German flag, 53 the British, and 25 the French. The coastwise traffic was represented by several small steamers and a large number of native craft called dhows.

The revenues of Zanzibar are derived chiefly from import and export duties and the products of the government plantations. Post-office and port fees and hut tax also contribute to the fund. Besides this the Zanzibar government receives annually \$53,531 from the British East African Administration as rental for the 10-mile-wide coast strip of that protectorate, over which strip the Sultan of Zanzibar holds a sovereign right; and an annual income, approximately \$60,000, as interest on \$1,674,076 invested in Indian government 3½ per cent rupee paper, which represents the proceeds from the sale of mainland territories to the German and Italian Governments.

Almost the entire list of manufactured imports are subject to a 7½ per cent duty. The export duty on cloves, the staple product of the island, is 25 per cent, levied in kind. Goods for transshipment are free of all duties, as are ivory, copra, skins, and other natural products from the mainland. The revenues for 1907, amounting to \$1,202,000, reflect the result of an exceptionally large clove crop during the year. For 1908 the revenues amounted to \$808,000. The government expenditures in 1907 and 1908 were \$919,700 and \$1,070,600, respectively.

BRITISH SUDAN.

REVIEW OF TRADE CONDITIONS.

PREPARED IN THE BUREAU OF MANUFACTURES FROM BRITISH OFFICIAL SOURCES.

The period of financial depression in Egypt had its counterpart in the Sudan. The revenue for 1908 fell short of the sum anticipated. In spite of a satisfactory rainfall, cultivation did not increase to any extent. There were a few sales of land and only a limited number of demands for concessions were received by the Government. Customs and trade statistics show that commercial prospects are improving, and there is every reason to anticipate a steady development of the economic resources of the country.

The total number of acres under cultivation in 1908 was 1,106,175, a decrease of 317,796 from 1907, but an increase of 97,533 acres over 1906. The cotton area under artificial irrigation decreased 1,592 acres, and that under wheat 1,347 acres. In the Tokar district cotton cultivation increased 16,397 acres in 1907 and 18,000 acres in 1908, due to the variable water supply. It is conclusively proved that Egyptian cotton of excellent quality can be grown in the Sudan, and the first consignment of the 1908-9 crop from the Zeidab estate sold at \$1 per bale above the price of the regular contract grade.

There was no extension of railways during 1908, but it was decided to relay with heavy rails the line between Khartum and Port Sudan, the sum of \$1,425,000 being allotted for this purpose. [All values in

this report are based on the Egyptian pound sterling being worth \$5 gold.] There were 320,222 passengers carried on the main lines in 1908, an increase of 60,546 over the previous year. Exclusive of goods transported for the government, 138,195 tons of merchandise and 47,252 head of live stock were carried during the year.

The imports into the Sudan for the nine months ended September 30, 1908, were valued at \$6,595,775, an increase of \$504,480 as compared with the corresponding period of 1907. There were increases shown in the imports of sugar, coal, cotton fabrics, and railway material. The exports of domestic produce for nine months of 1908 were valued at \$2,065,425, against \$1,788,645 for the same period of 1907. Of the articles of export, gum and cotton amounted to more than 50 per cent of the total.

EGYPT.

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL LEWIS M. IDDINGS, CAIRO.

The economic troubles which overtook Egypt in 1907 and were first noted in a breakdown of speculation on the stock market in April of that year, have not yet come to an end. The worst has certainly been seen in stocks, which suffered first; in the money market, which was affected second; and in commercial circles, which followed third. In these three divisions there is some improvement. Stock values can not rise much, however, until the banks and many private lenders have sold the bonds and shares which they had to take for debts. Both banks and private capitalists are holding their weak securities and selling whenever the market rises even a little; then prices go down again. There is greater ease in money, because the Government is spending considerable on public works, especially in irrigation. In the spring of 1908 the Government was asked to lend \$10,000,000 out of its reserve funds for the relief of particular classes of society. It refused, but the mortgage banks later were able to obtain abroad a larger loan than \$10,000,000 in the ordinary way of business. This afforded much relief from financial stringency.

REAL ESTATE VALUES MUCH REDUCED.

Real estate always suffers last in times of financial trouble, and it is now at its worst in Egypt. Land registration fees have fallen off nearly \$1,500,000 since 1907. The total sales of agricultural lands in 1908, as far as ascertained, show 16,776½ acres sold, at a price of \$7,752,620, averaging a little less than \$462.50 per acre. As a general rule, sellers have reduced prices about 20 per cent, and the tendency is to go by actual income rather than by the future prospects of a property as the basis of a purchase price.

Suburban land has lost its former value, and the price at which it can be bought depends on the seller's need of money; those who are not pressed still hope to recover what they paid. The beautiful houses of the suburban white city of Heleopolis stand vacant, but the enterprise is being handled in a way that indicates eventual success. City

sites are not traded in at all. Rents have fallen one-half. In 1907 nineteen government residences were built in Gezireh and distributed by lot among government officials at an alleged rental of 3 per cent on the cost of the structures, not counting the value of the land. Under the present administration these houses are not hereafter to be kept for government officials, but are to be rented to the highest bidders, and the rents have been raised nearly one-half.

GENERAL CONDITIONS.

A railroad has been built to the Oasis of Kharga in the Lybian Desert, but it does not pay. There is no water except what is taken from artesian wells, and the population is sparse. Immigration to Egypt is no factor in the development of the country as it is in the United States. Work on the Assuan dam will be finished in 1912. This will open to cultivation 900,000 acres of land, 800 miles north of the dam, in the Delta, the thickly populated part of Egypt. The Esna barrage above Luxor, which will facilitate the distribution of water to lands difficult to reach when the Nile is low, is just about to be declared ready for use.

The native bazaars complain of lack of business. The winter of 1907-8 was not prosperous for them, owing to the decrease in the number of tourists, and the past winter not so many came as were expected. The shops which depend on native custom seem more prosperous, and the peasants appear to have considerable money. The Cairo hotels did not fill up until late, although the up-river hotels are doing better. It will prove at least not to be more than a fair tourist season.

Although the area planted in cotton in 1907 amounted to about 1,603,224 acres, or about 100,000 acres more than the previous season, the cotton crop fell short, amounting to 7,234,669 cantars (cantar=99.5 pounds). The area planted in cotton in the season of 1908 was about equal to 1907, but the crop was from 500,000 to 750,000 cantars below that of 1907.

A comparison of the quantity and value of the ginned cotton and cotton-seed arrivals at Alexandria in the past two years is shown in the following table, the value for 1907 being obtained by converting the Egyptian pound sterling on a basis of \$4.94, while the value for 1908 is on a conversion basis of \$5 even:

Product.	1907.		1908.	
	Quantity.	Value.	Quantity.	Value.
Cotton.....pounds..	685,923,300	\$116,573,383	634,849,300	\$85,458,060
Cotton seed.....English tons..	466,340	12,359,010	445,170	12,355,005

The prices per cantar varied between \$22.37 (highest price reached) and \$13.50 (lowest price), or between 22.3 cents and 13.5 cents per pound, the cantar being, commercially speaking, 100 pounds, but actually between 104 and 107 pounds. These prices are for ginned cotton, free from seed, and delivered in Alexandria. The prices for cotton seed have averaged higher than in 1907, so that the value of the crop this past year was almost equal to 1907.

CAUSES OF DECREASED COTTON CROP.

Among causes that have produced the great decrease in the last year's cotton crop were lateness in planting, lack of water, and the ravages of the cotton worm. In December, 1907, Lower Egypt was inundated by heavy rains, followed by wet weather toward the end of January, 1908. This retarded the preparation of the soil for the planting of cotton seed. Preparation should normally begin toward the end of December, in order that the cotton may be sown in March. From this there resulted at least one month's delay, causing the preparation of the soil to be made in great haste and consequently not as carefully as is necessary for a successful crop.

The rotation for water was fixed last season in most districts at six days' work against eighteen days' stoppage. In some cases it resulted that the working days were not enough to irrigate the whole land, and consequently some of the planted areas had to remain for a period of thirty-six days without water. It is well known that the period between the waterings should not exceed twelve to fifteen days.

The cotton worm made its appearance twice, first in June, and then in August, and caused great damage. The English government officials had decided last year to let the natives themselves look after this plague, since, if they are able to look after their own interests at all, it should be in the management of the cotton crop. The governors of the Provinces were therefore assured that they could have government money and support to fight the worm whenever they decided that it was necessary to ask for them, but when the governors finally took notice of the pest the ravages were too far advanced to be stopped, and cotton to the value of several millions of pounds sterling was destroyed.

A commission of experts investigating the question of deterioration in cotton and diminution in quantity in 1908 found it had no data to rely on, as there were no agricultural statistics ready. Maps of the cultivated areas are now to be made, and the question will again be examined. The rotation of crops and soil exhaustion are factors in the problem, but some experts hold that plant proximity is a more important consideration. Cotton is found to grow badly near sorghum, probably because of some direct poisonous effect produced on its neighbor by sorghum roots, and through moisture in the soil. Sesame is said to decrease cotton production by 24 per cent when planted near it. The level of subsoil water is under investigation in connection with this subject.

CEREAL PRODUCTION—THE BOVINE PEST.

In cereals the crops of 1908 were poor, due chiefly to wet and cold weather in January. In consequence of this, and owing to the decrease in the area devoted to cereals, imports of food products and grain increased. In 1907 the value of wheat flour, corn, and corn flour imported was \$6,820,775, and in 1908 the imports were \$10,229,885, an increase of \$3,409,110. Of the 1908 imports \$38,385 worth of Minnesota flour came direct to Cairo. The importers state that generally speaking the effort to bring such supply from the United States has succeeded well when the quality of the imports was like the sample.

The cereals planted in Egypt are wheat, barley, Indian corn, horse beans, lentils, and sesame. Almost all such products are consumed in the country, so that no real valuation of the quantity raised can be ascertained. The wheat imported in 1908 amounted to 17,453 tons, valued at about \$727,575, against 15,811 tons, valued at \$564,190, in 1907. The importation of wheat thus increased by about 1,642 tons.

As irrigation schemes are developed and executed more of Egypt is being canalized and transformed into perennially irrigated tracts. This makes the growing of cotton possible, and as cotton is a better paying article than any cereal, it naturally follows that cereal plantation is suffering. The decrease in the quantities of cereals produced makes a consequent rise in prices. The Egyptian peasant depends largely on his clover (bersim) crops for the feeding of his cattle. Clover is generally planted as an intermediate between two crops of different kinds, and besides being food for cattle gives a rest to the soil. A worm made its appearance in both Upper and Lower Egypt in 1908 and worked havoc in the clover, so that the peasant was obliged, partly at least, to make up his loss in clover by providing himself with barley, horse beans, or Indian corn for the feeding of his cattle.

An effort is being made in Egypt to increase the interest in growing vegetables and fruit for the European market by the horticultural society, which declares that this business would pay better than cotton.

It is to be regretted that the bovine pest is increasing. Up to the end of November, 1908, there were 8,307 cases reported; in 1907 the total was 4,874. In 1904 there were 125,014 cases, but the disease nearly died out in 1905 and 1906. It is being vigorously fought by the authorities.

FOREIGN TRADE MOVEMENT.

The year 1908 has felt the hard times more severely than 1907, when the crisis actually occurred. In 1907 the total trade of Egypt was heavier than in the previous year, many orders having been given before the crisis came, but from August it fell off rapidly. The decline continued throughout 1908. In 1906 the total trade was \$241,507,090; in 1907, \$267,421,594; in 1908, \$239,663,410. Tobacco, the value of which is included in these figures, was imported to the value of \$4,302,710 in 1908, against \$3,581,035 in 1907. A movement is on foot to persuade the Government to allow tobacco to be cultivated again in Egypt. Cigarettes exported fell off in value from \$1,967,545 in 1907 to \$1,824,885 in 1908, less of this article going to Germany than in previous years. Tobacco came from the United States to the value of \$4,790, and there were sent to the United States in cigarettes only about \$27,000, as our invoices show, as against \$66,000 in 1907. The decrease is due in part to the manufacture of Egyptian cigarettes in the United States.

The total imports of merchandise, including tobacco, amounted to \$125,501,985, against \$130,603,915 in 1907, a loss of \$5,101,930. The heaviest decrease was in metals and worked metal, which fell off in value \$5,006,960. Of this amount iron and worked steel decreased \$3,533,045, and machines and parts of machines \$1,363,470. Next are the textile industries, where the decrease was \$2,756,185. Under this head ready-made clothing imports showed a falling off of \$728,015 and

silken textures and ribbons \$429,375. This is where the European population economized, buying cotton stuff instead of woolen or silken. In linen stuff there was a decrease of \$416,835. On the other hand, cotton textures showed an increase of \$540,720. The falling off in the building trade category is noticeable. This included stone, marble, cement, plaster, etc., and showed a decrease of \$586,330, while the furniture imported fell off \$798,340. The imports of horses, mules, and camels decreased by \$670,710. The chief increases were in sugar, \$1,510,890; wheat flour and corn meal, \$2,630,820; Indian corn, \$614,785; petroleum, \$309,575; coffee, \$410,430; locomotives \$455,910. Ironmongery and office accessories also showed a decrease of \$508,885. Tarbouches were affected by the status of Austrian goods, and show also a loss of \$76,580. The coal imports increased by \$432,650, and soap by \$381,510. Artificial manure imports were less by \$746,990. Spirits, liquors, and oil imports showed an increase of \$515,850, but this was principally due to cotton-seed oil, alcohol, olive oil, and petroleum, as beer, wine, mineral water, and liquors all showed a decrease. Agricultural machinery decreased \$387,635; other machinery about \$1,000,000.

DECREASES SHOWN IN EXPORTS.

The exports, including cigarettes, were \$106,578,365, against \$140,065,925 in 1907, a loss of \$33,487,560. The exports in cotton decreased \$32,531,205, the other \$956,400 of loss being composed chiefly of \$302,945 in animal products and skins, and \$278,375 in textiles. The amount of cotton exported was 634,849,300 pounds, of the value of \$85,458,015, as compared with 685,922,000 pounds, valued at \$117,989,220, in 1907, a falling off in the number of pounds of 51,072,700, and in value of \$32,531,205. England received of last year's cotton 312,412,000 pounds, valued at \$42,144,245. Germany took 56,074,300 pounds; France, 53,711,100 pounds; Austria, 31,016,600 pounds; and Italy, 25,334,400 pounds. The decrease in cotton seed amounted to \$420,355. Other shrinkages in value as compared with 1907 were natural wool, \$251,650; ivory, \$166,330; gum arabic, \$92,015; eggs, \$69,170; ostrich feathers, \$59,775. The only increase of interest was in cane sugar, exports of which rose in value by \$65,175, although they fell off in quantity by 571,700 pounds.

IMPORTS FROM THE UNITED STATES AND ALL OTHER COUNTRIES.

According to the customs returns, which, beginning with 1908, have been kept separately for the United States, the imports from the latter and from all other countries into Egypt were as follows:

Articles.	United States.	All other countries.	Articles.	United States.	All other countries.
Animal products, n. e. s.	\$650	\$75,260	Iron and steel, manufac- tures of—Continued.		
Arms and explosives:			Iron and steel, worked..	\$11,115	\$1,735,235
Explosives.....	225	100,925	Machinery—		
Weapons and parts.....	5,665	142,260	Agricultural.....	35,970	815,600
Art works.....	50	22,910	Electric.....	9,930	442,750
Beverages:			Steam.....	3,995	757,545
Beer.....	3,595	200,515	Other, and parts.....	109,315	810,495
Liquors.....	9,050	691,565	Sales.....	825	36,455
Books, printed matter, etc..	2,610	462,310	Tools.....	15,600	283,840
Breadstuffs:			All other manufactures.	7,730	2,076,810
Biscuits.....	70	162,700	Lamps.....	5,660	299,245
Corn.....	2,965	732,975	Lead, and manufactures of.	1,150	75,510
Flour, wheat, and corn.	145,275	8,621,075	Leather, and manufactures		
Semolina.....	230	365,015	of:		
Cars, carriages, etc.:			Boots and shoes.....	26,980	902,265
Automobiles.....	1,400	265,175	Saddlery.....	205	50,410
Carriages.....	320	47,615	Other.....	1,665	77,880
Motor cycles, etc.....	1,265	37,090	Metals and alloys, manufac- tures of.....	430	138,040
Wagons and carts.....	230	29,140	Mineral earths.....	405	113,105
Cement and plaster work..	1,020	166,815	Oils:		
Clocks and watches:			Benzine, gasoline, etc..	26,035	26,205
Clocks.....	80	31,590	Cotton-seed.....	121,645	179,425
Watches.....	200	12,900	Kerosene.....	11,865	1,782,710
Clothing.....	1,050	1,389,185	Seed.....	2,970	703,925
Colors and dyestuffs:			Other.....	114,445	
Colors.....	1,345	231,410	Paper:		
Dyestuffs.....	3,540	56,885	Printing and writing... ..	1,045	503,355
Copper and brass, manufac- tures of.....	820	1,465,100	Wrapping.....	150	743,045
Cotton, manufactures of:			Patent medicines, etc..	18,750	374,260
Canvas for sails.....	325	92,720	Perfumery.....	7,240	197,340
Cloth.....	685	16,380,475	Personal effects.....	245	74,310
Cloth, waxed and tarred	250	139,760	Plate glass and mirrors..	50	112,530
Thread.....	55	317,415	Roots, herbs, and leaves..	133	302,370
Dry goods.....	105	109,015	Soap, perfumed.....	175	130,390
Earthen and porcelain ware.	50	474,130	Starch.....	640	101,165
Electric apparatus, etc..	17,880	578,675	Tin and tinware.....	4,435	480,115
Fish, salted, preserved, etc..	245	639,395	Tobacco, and manufactures		
Fruits, preserved.....	850	436,215	of:		
Games and toys.....	445	231,400	Leaf.....	1,875	4,041,410
Grease.....	2,420	134,615	Cigars.....	2,245	78,990
Hides and skins.....	12,785	682,065	Other.....	670	16,815
India rubber, etc., manuf- actures of.....	1,795	198,630	Underwear.....	365	1,345,390
Instruments:			Varnish.....	665	68,295
Musical.....	1,005	53,850	Vegetables, preserved....	480	213,330
Scientific, etc.....	17,375	232,545	Vegetable products, n. e. s.	195	215,410
Iron and steel, manufac- tures of:			Wood, and manufactures of:		
Cast, finished with			Furniture.....	7,295	816,440
other metals.....	21,605	614,370	Lumber and timber....	194,940	6,948,025
Hardware.....	10,610	1,063,465	Other.....	190	310,340
Hoop.....	1,590	331,910	All other articles.....	58,600	28,426,415
Ironware, small.....	1,720	458,780	Total.....	1,081,770	95,299,025

LEADING EXPORTS FROM EGYPT.

The leading articles of export from Egypt to the United States and all countries in 1908 were as follows:

Articles.	United States.		All countries.	
	Quantity.	Value.	Quantity.	Value.
Beans.....	11 bushels.	\$10	54,362	\$48,965
Cotton.....	41,525,600 pounds.	5,506,480	634,849,300	85,458,060
Cotton seed.....	54 bushels.	5	20,579,124	12,375,005
Dates.....	89 pounds.	5	1,341,102	45,596
Gum arabic.....	2,408,718 do.	108,555	5,745,558	258,545
Lentils.....	574 bushels.	240	34,061	35,970
Onions.....	1,092 tons.	13,650	79,575	994,815
Skins, sheep and goat.....	15,300 number.	3,555	940,867	706,475
			5,586,901	
Total.....		5,632,500		99,923,430

The tables show how small a proportion of Egypt's foreign trade is enjoyed by the United States, although the actual trade is better than the custom-house returns indicate. For example, by consular invoices cotton to the value of \$10,575,412 was exported to the United States, yet the custom-house figures show \$5,506,480 as the total export. The reason for the difference is that much of the cotton went first to Italy or England and was there transshipped to New York. So with other items.

The exports from Cairo in 1908 showed an increase of \$10,534 over those for 1907, the largest gain being nearly \$45,000 in gum arabic, while cigarettes fell off almost \$40,000. The details follow:

Articles.	1907.	1908.	Articles.	1907.	1908.
Antiquities and curios.....	\$11,213	\$30,007	Hides and skins.....	\$10,285	\$6,220
Books.....		638	Rags.....		8,070
Carpets and rugs.....	15,717	8,177	Senna.....	49,873	54,053
Cigarettes.....	66,374	25,804	Sheep guts.....		948
Donkeys.....	1,265	146	All other.....		
Egyptian goods.....	23,289	10,645			
Gum arabic.....	143,261	188,022	Total.....	322,926	333,460

OPPORTUNITIES FOR AMERICAN TRADE.

The exporters of the United States are doing but little business with Egypt. No American bank has been established, and no houses of importance have sent competent agents to investigate conditions personally. This agency and consulate-general has received many letters of inquiry which have had careful attention, but nothing seems to come of them. The demand in Egypt for food products has, as already stated, led to the increased importation of flour from the United States, but some of this staple, when it arrived, was found to be inferior to the sample on which the contract was made.

Apples from Oregon have been imported in increasing quantities for the hotels and some of the Nile steamboat companies; but American statistics are not obtainable. The total for 1908 was \$1,526,825 from all countries, which is \$65,505 more than in 1907.

Cheap motor cars of low horsepower might have a chance when prosperity returns. In Cairo there are at present 270 cars registered, against 275 in the previous season; in Alexandria, 160, against 120. Two new garages have just been opened at Cairo. Most of the cars owned by natives are of French origin. Cheap cars with covered bodies and of low horsepower are chiefly favored, as in Egypt there are no hills of any consequence. As a means of transport it is stated that the automobile has proved less expensive than the camel, a record of 220 kilometers having recently been effected in one day's journey.

POSSIBLE MARKET FOR COAL.

The railroads of Egypt burn much coal, and the yards at Port Said sell many tons to steamers. This is the best English Newcastle coal, and at Port Said has commonly sold at \$5.52 per ton. In Cairo the price is \$8.50 at retail. With the vast stores of coal in the United States, and the low price at which coal could be laid down at tide water, there seems to be a margin to allow American coal-mine

owners to send coal to Egypt to sell to the railroads or to the coal yards at Port Said. The managers of these undertakings are Englishmen, but this is not likely to prevent them from buying in the cheapest market and selling at the best profit. The difficulty would be, in exporting coal from the United States, to get ships to send to Egypt loaded with coal and then to obtain freight for the return voyage. They would have to make a tour of the Mediterranean to find their cargoes, but probably that could be done. The director-general of the state railways is Maj. G. B. Macauley, Cairo; and the leading coal companies at Port Said are Savon & Co., Worms & Co., The Port Said and Suez Coal Company, Cory Brothers, Wills & Co., and the Deutsches Kohlen-Depot.

FISCAL REPORT—PRICES OF LABOR.

The fiscal report of Egypt for the past four years is as follows:

Year.	Ordinary revenue.	Expenses, ordinary and special.	Surplus.	General reserve fund.	
				Receipts.	Expenditures.
1905	\$74,066,730	\$80,624,110	\$13,442,620	\$10,646,530	\$13,840,890
1906	76,686,476	65,889,315	10,877,156	7,334,300	23,372,925
1907	81,839,090	71,402,065	10,437,025	2,325,705	23,232,490
1908 (approximate)	76,820,000	72,320,000	4,500,000	4,860,000	20,000,000
Total	309,412,290	270,155,490	39,256,800	25,166,535	80,446,306

The falling off of revenue in customs duties was \$766,720; in railway receipts, \$675,020; in land registrations, \$1,492,560.

The revenue for 1909 is estimated at \$75,500,000, and the expenses at \$74,250,000. Of the latter sum, \$69,500,000 is for ordinary expenditures, \$3,050,000 for special charges for 1909, and \$1,700,000 for special expenditures not actually made in 1908 as expected.

The wages paid for labor in Cairo are shown in the tables following. The first table was prepared upon information from a leading building firm in this city. The daily hours of labor are 8 in winter and 10 in summer, the working time being 6½ days a week.

Trade and nationality.	Pay per day.	Trade and nationality.	Pay per day.
Masons:		Painters:	
European	\$1.50-\$1.75	European	\$1.00-\$1.25
Native .....	.90-1.00	Native .....	.60-1.00
Carpenters:		Plasterers, native	1.00-1.25
European	1.00-2.00	Plumbers:	
Native .....	.60-1.00	European	1.00-3.00
Carriers:		Native .....	.75-1.50
Boys .....	.35-.40	Stone cutters, native .....	.80-1.00
Girls .....	.25	Decorators, European	2.00-2.50

From the government builders the following statement was received. These rates apply to native laborers only. There are no fixed rates for the different trades, as wages vary according to the capabilities of the workmen, and, with unskilled labor, according to age.

Trade.	Pay per day.	Trade.	Pay per day.
Bricklayers (masons).....	\$0.75-\$0.90	Painters.....	\$0.50-\$0.85
Carpenters.....	.60- 1.10	Plumbers.....	.50- 1.00
Laborers.....	.18- .35	Stonecutters.....	.75- .90

Other trades are paid thus on government authority:

Trade.	Days per week.	Hours per week.	Wages.
Laborers on street, hired by city	6	56	\$0.30 per day and \$1.36 per week, no gratul-ties.
Blacksmiths.....	6	54	\$1 per day.
Iron molders.....	7	63	\$19.97 per month.
Bakers:			
European.....	7	56	\$40 to \$70 per month.
Native.....	7	56	\$17 to \$20 per month.

Labor in the cotton, rice, sugar, or onion fields, all day and every day, is paid from 20 to 60 cents per day. Both native and white labor is poor in Egypt.

SHIPPING AND PASSENGER TRAFFIC.

Sixteen vessels from the United States landed in Egypt during 1908, a total of 12,349 tons of cargo and 1,707 passengers. Of the tonnage 8,425 tons were landed at Alexandria, 3,882 tons at Port Said, and 42 tons at Suez Road.

Of this cargo 536 tons came to Alexandria in Greek bottoms from New York, 4,237 tons in British bottoms from other American ports, and 3,652 in Russian bottoms. British steamers also brought to Alexandria 1,123 passengers from New York and 185 from other American ports; German ships brought 349 passengers from New York, and Greek ships 50 passengers.

Seven British vessels, with a registered tonnage of 59,246 and carrying 286 passengers, left Alexandria during the year for American ports. Two of these vessels were bound for Boston and three for New York.

The total cargo landed in Egypt during the year amounted to 4,144,056 tons, and the exports 1,222,795 tons. The total shipping traffic during the year amounted to 2,127 incoming vessels representing 3,535,164 net registered tons, and 2,139 outgoing vessels representing 3,552,483 registered tons. This is an increase over 1907 of 115 vessels and 234,417 tons in the arrivals, and 143 vessels representing 269,364 tons in the departures. Almost all nationalities contributed to this increase excepting France, which remains practically stationary, and Germany whose figures show in 1908 an important decrease.

ALEXANDRIA.

By CONSUL DAVID R. BIRCH.

The year 1908 will be recorded by commercial Alexandria as the most inactive of the past decade. The sudden termination of the era of unprecedented prosperity in the latter part of 1907 left a stagnation in business circles from which this rich city has not yet recovered. The collapse of the land boom, with its attendant failures, put an end for many years, it is believed, to the system of speculation that had made prosperity for its promoters, but which left the chief commercial city of Egypt bereft of all but its natural advantages.

The splendid situation of Alexandria as the commercial gateway to all Egypt and the Sudan makes this city almost immune from long-continued business disaster or trade depression. Alexandria is accorded third place among Mediterranean ports, if indeed first and second places may even now be rightfully claimed for Marseilles and Genoa. With an import trade aggregating nearly 3,000,000 tons of foreign merchandise annually and an outgoing shipment of Egyptian products valued at over \$100,000,000, this port must always present scenes of tense activity.

RESULTS OF SPECULATION IN COTTON.

Cotton is, of course, the backbone of Alexandria's prosperity, and the extraordinary faith in the infallibility of this valuable crop is accounted responsible in no small degree for the wave of speculation that three years ago swept over this country. When the crash came it was still the cotton crop that was looked to for the relief that has not yet come. Many business houses were sustained throughout the summer of last year on the hope of a big cotton crop bringing back the prosperity that was lost the year before, but instead of a larger yield from the cotton fields the crop fell short by 100,000,000 pounds. Then followed the inevitable closing out of many firms previously thought sound and free from the speculative influence. It was not only the speculators who suffered. The business houses of the city were so inseparably connected, one with the other, that the cautious felt the crisis as well as the less careful. From November, 1907, until November, 1908, there were 184 bankruptcies before the local courts, and during that same period 51 other Alexandria firms closed their doors and made arrangements with creditors.

American firms should now reassure themselves as to the present-day standing of their properly constituted agents and not accept as satisfactory the previous financial responsibility of local representatives. The crisis is still upon Egypt, and failures are of weekly occurrence. Careful investigation should follow in every instance where an Alexandria firm seeks connections with an American house, and the standing of a local firm or of an individual given a few years back should not be taken as a criterion for to-day. Any responsible Alexandria importer is able to furnish a bank guaranty, and there are enough substantial business men here to permit of the opening of trade through them without the assumption by the American house of a risk through connections with some one who is either unable or unwilling to give the requisite backing.

The present is not the most propitious time for the American manufacturer to secure a foothold here. Business confidence is lacking, and it may be assumed that none but the kind of foreign goods classed here as necessities can now be sold to any great extent.

EXTENT OF ALEXANDRIA'S FOREIGN TRADE.

Ninety per cent of Egypt's import trade is done through the port of Alexandria. This amounted in 1908 to \$110,862,780, a decrease of \$5,734,050 from the 1907 importations. The importance of Alexandria over Port Said and Suez is shown to an even greater extent in the shipment of Egyptian goods abroad. Out of a total exportation during 1908 of \$106,578,365 for all Egypt, \$104,110,295, or over 95 per cent, went through this port. The Alexandria exports were, however, \$33,156,275 below those of the year previous, but it should be noted that the valuations are 10 per cent less than the actual value of the goods because of the Egyptian custom-house system of accepting outgoing merchandise at 10 per cent less than the real value for purposes of assessing an export duty.

A review of the 1908 imports at Alexandria and a comparison with the previous year's totals shows a marked increase in the purchase from abroad of various foodstuffs and a corresponding decrease in the import of clothing, iron goods, and machinery. The most cogent reason assigned for this increase in the purchase of foreign cereals and flour is the tendency of the owners of farm lands to abandon grain for cotton planting.

Other classes of imported goods in which decreases were noted were live stock and animal products, skins and leather goods, wine, and beer, coal, building material, and woollen goods. Sugar, olive oil, petroleum, chemical products, and textiles were articles in which larger sales were registered.

PRINCIPAL IMPORTS AND COUNTRIES OF ORIGIN.

The principal articles imported into Alexandria in 1908, with the total trade from all countries in such items, and a comparison of the share of the United States with that of five leading countries, are shown in the following table:

Articles.	Total from all countries.	United States.	Austria-Hungary.	France.	Germany.	Italy.	United Kingdom.
Animals.....	\$1,928,285	.....	\$8,235	\$4,085	\$80	\$4,255	\$11,945
Clothing.....	1,251,730	\$915	901,685	204,895	13,735	6,000	50,530
Coal.....	6,341,565	.....	.....	340	56,080	.....	6,274,630
Cotton goods.....	16,397,425	685	524,085	154,380	267,400	855,590	14,290,105
Flour.....	7,658,685	145,275	5,720	4,662,620	187,795	346,445	1,414,655
Furniture.....	773,585	7,296	271,435	206,165	29,890	75,425	155,690
Hardware.....	1,011,155	10,415	169,040	369,370	202,315	62,325	108,715
Kerosene.....	1,698,015	7,370	.....	.....	.....	.....	.....
Lumber.....	6,750,950	192,945	937,275	8,255	4,925	35,345	7,055
Machinery.....	2,207,165	79,665	980	71,085	466,230	30,160	1,498,250
Paints.....	1,016,400	5,560	52,275	112,815	414,770	13,990	173,865
Sugar.....	2,323,820	.....	245,305	120	12,010	.....	440
Tobacco.....	4,125,890	3,580	358,340	625	4,745	23,310	29,780
Woollen goods.....	2,190,590	.....	537,370	254,690	228,405	17,150	1,134,990

In addition, Turkey supplied animals to the value of \$1,410,190; Roumania, kerosene to the value of \$744,900, while Russia sent \$945,745 worth. Lumber came from Roumania to the value of \$1,488,395; from Sweden, \$2,193,070, and from Turkey, \$1,141,805. Russia supplied \$2,058,125 worth of sugar. Tobacco came from Greece to the value of \$1,163,260 and from Turkey, \$2,146,755.

The six countries that bring to Alexandria the bulk of Egyptian imports, and the volume of business done in 1908 by each, were as follows:

Country.	Value.	Country.	Value.
United Kingdom.....	\$39,241,270	Austria-Hungary.....	\$7,815,790
France.....	12,542,440	Italy.....	5,642,415
Turkey.....	12,059,540	Germany.....	5,450,650

EXPORTS FROM ALEXANDRIA.

The foreign sales of Egyptian raw cotton comprise four-fifths of the export trade of Alexandria, or, taking the figures for 1908, \$85,000,000 out of a total of \$104,000,000. The remaining \$18,000,000 is composed principally of cotton seed, cigarettes, eggs, and onions in the following values to the countries named:

Articles.	Austria-Hungary	France.	Germany.	United Kingdom.	Total.
Cotton seed.....	\$257,120	\$752,080	\$862,075	\$10,433,215	\$12,304,490
Cigarettes.....	197,060	96,565	155,490	85,430	534,545
Eggs.....	16,785	20,050	11,665	377,945	406,445
Onions.....	259,795	10,040	83,905	515,875	869,615

The total exportation from Alexandria of these four articles to all countries in 1908 was \$14,579,155.

Two other large items of export are rice and skins, but these go to other parts of the Turkish dominions. Out of a total exportation of rice aggregating 9,497 tons, 8,654 tons were for Turkey. The shipment of hides from Egypt to Turkey amounted in 1908 to \$235,040 out of a total exportation of \$347,875. Hides and skins to the value of \$78,645 went from Alexandria to Austria-Hungary.

The share that the United Kingdom has in the Egyptian export trade is greater than the rest of the world combined. Out of the total exportation of \$104,110,275 from Alexandria in 1908, \$55,306,020 went to the United Kingdom in British ships.

AMERICAN TRADE HANDICAPS.

The United States ranks almost last in the countries doing an import trade with this port, and while a higher freight rate on goods coming from New York than from points in Europe has the effect of retarding development of American commerce in certain commodities, yet, on the whole, it is the absence of direct steamship facilities that acts as the principal barrier to American trade expansion in northeastern Africa. Transshipment of American goods consigned

to Alexandria must now be made at Liverpool, London, Genoa, or Naples. This, besides entailing much delay in arrival, often foment complaints of breakage, with an unfavorable comparison of the American manufacturer's alleged faulty manner of packing. Notwithstanding the handicap of inadequate transportation, the American exporter practically unrepresented in a field where European houses have agents of their own nationality, and out of touch with his buyers, has succeeded in placing orders for \$1,019,040 through this port within the past calendar year. It is a striking illustration that American trade will naturally expand despite the lack of facilities possessed by competing nations, and without help on the part of anyone.

The imports into Alexandria from the United States in 1908 are taken from the Egyptian custom-house statistics. The customs officials admit that these are not indicative of the volume of business done by the United States, because account is taken only of the country whence comes the importing steamship, which may or may not be the place of origin of the goods. Thus, if American goods consigned to Alexandria are transhipped at Liverpool or at Naples, as the case may be, these are classed at the local custom-house as English or Italian products. The sale here of American articles is known to be much greater than indicated, but no known means are at hand of ascertaining the proper figures.

IMPORTS FROM AND EXPORTS TO THE UNITED STATES.

The imports from the United States at Alexandria during 1908 are shown in the following table:

Articles.	Value.	Articles.	Value.
Breadstuffs:		Lead	\$1,140
Flour.....	\$145,275	Leather, and manufactures of:	
Maize.....	2,965	Shoes.....	26,775
Cars, carriages, etc.:		Unmanufactured.....	12,785
Automobiles.....	1,400	Other.....	12,590
Bicycles.....	1,265	Oils:	
Cement.....	1,020	Benzine.....	3,150
Cereals.....	1,045	Cotton-seed.....	108,390
Drugs.....	18,670	Mineral.....	109,410
Electrical apparatus, etc.....	17,890	Petroleum.....	7,370
Firearms.....	5,665	Paints.....	5,560
Fish, preserved, etc.....	6,475	Paper, and manufactures of:	
Grease.....	1,140	Paper.....	1,045
Gutta-percha.....	1,795	Printed matter.....	2,430
Instruments:		Perfumery.....	1,135
Musical (pianos).....	1,005	Skins.....	12,785
Scientific.....	17,375	Spirits and malt liquors:	
Technical.....	15,375	Alcohol.....	9,050
Iron and steel, manufactures of:		Beer.....	3,545
Hardware.....	12,715	Tin.....	3,270
Hoops.....	1,590	Tobacco.....	3,560
Machinery—		Wood, manufactures of:	
Agricultural.....	79,695	Furniture.....	7,295
Electrical.....	9,830	Lumber.....	192,945
Other and parts.....	109,160	All other articles.....	19,990
Steel, worked.....	11,115	Total.....	1,019,040
Other.....	6,845		
Lamps.....	5,540		

As the exports from Alexandria^a to the United States are confined almost exclusively to cotton shipments, which are discussed in another part of this report, there are no features of this trade worthy of extended mention here. The list is as follows, showing a comparison of the past two years:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bagging.....	\$1,017	\$2,853	Onions.....	\$69,747	\$91,819
Carpets.....	581	424	Rags.....	10,032	10,234
Cigarettes.....	3,462	1,086	Scarfs.....	.....	501
Cigarette paper.....	4,342	3,309	Skins.....	11,832	10,391
Coffee.....	1,615	91	Tobacco.....	159	629
Cotton.....	16,463,878	10,354,244	All other articles.....	2,315	5,070
Cotton seed.....	.....	329			
Curiosities.....	200	129	Total.....	16,587,590	10,575,402
Gum.....	18,400	94,193			

IMPORTANCE OF THE COTTON CROP.

The 1908 crop of Egyptian cotton was damaged by cold weather in Lower Egypt, where 75 per cent of the plantations are located. In rough figures, an ordinary season's yield of cotton enriches Egypt approximately \$100,000,000.

The cotton fields in 1907 produced approximately 723,000,000 pounds. The 1908 crop was variously estimated at 625,000,000 to 650,000,000 pounds, and with the popular grade known as "fully good fair" averaging \$15 per hundredweight, the effect of the loss of \$15,000,000 upon a nation in financial difficulties may be readily imagined.

Alexandria is the center of cotton activity in Egypt. The cotton is brought from the interior by rail and by canal boat, and is stored, pressed, packed, marketed, and shipped in Alexandria. The value of raw cotton exported from Alexandria in 1908 was \$85,445,985. Cotton shipments from the other three ports of Egypt amounted to but \$12,030. This exportation was less by \$32,520,000 than the cotton shipments of 1907, the tables showing decreased sales to each of Egypt's principal cotton markets.

The value of Egyptian cotton exported from Alexandria in 1908 to various parts of the world was as follows:

Country.	Value.	Country.	Value.
United States.....	\$10,354,344	Portugal.....	\$18,710
Austria-Hungary.....	4,186,780	Roumania.....	3,235
Belgium.....	328,435	Russia.....	6,784,025
China and Asia.....	1,669,820	Spain.....	2,064,200
France.....	7,274,005	Switzerland.....	3,556,475
Germany.....	7,610,320	Turkey.....	18,800
Greece.....	33,625	United Kingdom.....	37,296,371
Italy.....	3,417,055	British possessions in Asia.....	431,305
Netherlands.....	247,020		
Mexico.....	51,460	Total.....	85,445,985

^aIn the annual review of the trade of Egypt for 1907 the words "Alexandria" and "Cairo" were inadvertently transposed in the table showing exports from these places to the United States.

A table of comparison showing the area of production, the sizes of the various crops in cantars of 99.5 pounds, the selling prices, and the exportation in bales of 400 pounds ranging over a period of ten years is given:

Year.	Area.	Size of crop.	Selling price per cantar.	Exports to—		
				United States.	United Kingdom.	Other countries.
	<i>Acres.</i>	<i>Cantars.</i>		<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>
1898.....	1,460,000	5,588,816	\$9.15	52,335	347,335	731,450
1899.....	1,500,000	6,509,645	14.27	72,198	407,245	853,530
1900.....	1,600,000	5,435,480	11.91	57,715	325,587	707,603
1901.....	1,650,000	6,389,011	11.12	106,565	322,514	858,217
1902.....	1,700,000	5,838,790	15.93	84,918	391,745	786,649
1903.....	1,750,000	6,508,947	15.76	55,162	375,049	796,432
1904.....	1,850,000	6,313,370	13.66	80,440	399,458	800,884
1905.....	1,900,000	5,959,883	17.45	69,478	339,338	795,509
1906.....	1,850,000	6,949,883	19.11	111,565	444,066	921,973
1907.....	1,960,000	7,234,069	15.52	78,391	449,966	906,858

HARBOR IMPROVEMENTS.

During 1908 an extension to the breakwater of 1,800 feet was completed, and the work commenced during the previous year of constructing a protecting wall to meet the large breakwater, thus rendering the inner harbor almost immune from the frequently occurring storms, was also finished. These extensions entailed an expenditure of \$950,000.

Three new quays, to be used solely as unloading wharves for lumber, were built last year. These are near the outer harbor wall, and have anchorages for six large and three smaller lumber vessels instead of the two moorings now in use at the old wharves. The change in the location of the lumber storage sites was rendered necessary by the lack of proper wharfage near the general-merchandise docks. When the new quays are put into use it will be possible to segregate the lumber from other merchandise. As the new conditions mean to the lumber importers the abandonment of the lumber storage warehouses now in use and the building of new ones, it is thought unlikely that the new wharves will be in actual use during 1909, though they are now ready for unloading operations.

Last year also witnessed the completion of the new wall extending from the straight coal pier. This wall is so constructed as to form an immense basin capable of containing eight coal steamers, each of which will have free anchorage and ample room for discharging without interference with each other. The work on the extending arm was started four years ago and has caused an outlay of \$430,000. Prior to its completion there were but four coal steamer anchorages, each fitted with American bridge tramways. These, however, were used principally for unloading coal intended for the Egyptian State Railway, and insufficient space was afforded industrial concerns for either discharging or storage purposes. The eight new quays, or those within the basin, are not yet fitted with the bridge tramway system. The total expenditure on harbor improvements completed last year was \$3,046,565.

SHIPPING STATISTICS.

The details of the movement of the year's shipping in the port of Alexandria follow:

Nationality.	Arrivals.			Departures.		
	Number.	Net tonnage.	Cargo landed.	Number.	Net tonnage.	Cargo shipped.
			<i>Tons.</i>			<i>Tons.</i>
Austrian.....	205	400,140	172,463	204	398,729	107,555
Belgian.....	92	87,579	40,349	91	87,501	18,166
British.....	757	1,468,778	1,682,022	766	1,488,202	604,757
Dutch.....	17	17,332	21,060	17	17,332	69
French.....	124	288,210	95,885	123	287,132	39,962
German.....	109	271,247	135,900	110	273,871	62,831
Greek.....	307	229,407	157,508	304	226,749	37,134
Italian.....	258	399,909	130,270	263	403,583	43,371
Russian.....	109	207,630	162,320	108	205,313	35,392
Swedish.....	19	39,079	54,448	17	32,609	16,020
All other.....	130	125,863	104,943	136	131,762	21,829
Total.....	2,127	3,535,164	2,769,206	2,139	3,552,483	1,076,776

The total number of passengers landed at Alexandria in 1908 was 82,600, of whom 20,238 came in British vessels, 16,049 in Greek, and 10,651 in Italian. The total number of passengers embarked was 82,033, of whom 22,409 went in British vessels, 13,148 in Greek, and 12,865 in Italian.

FRENCH AFRICA.

ALGERIA.

REVIEW OF TRADE CONDITIONS.

By CONSUL JAMES JOHNSTON, ALGIERS.

The year 1908 was marked by a prolonged drought, resulting in a short crop of cereals, chiefly in the districts of the native farmers, where the ground is merely scratched before sowing and where all efforts to introduce European methods have been for the most part unsuccessful. In the districts where colonists are numerous many of the natives have begun to adopt improved methods, and the sight of American plows on their farms is no longer rare.

Much distress resulted from the drought in the interior, though not to the extent of actual famine, owing to prompt measures of relief taken by the different communes affected and by the government. The latter has distributed \$280,000 in money, seed, and rations. The amounts distributed by the communes and by private benefactors are not even approximately known. One result of this distress has been to cause an exceptional influx of the poorer Arabs into the towns and cities, and the consequent outbreaks of typhus in the cities on or near the coast; but the resulting mortality has not been large.

The total exports from Algeria in 1908 were valued at \$65,162,400, a falling off of \$2,535,200 from the previous year. This resulted altogether from the decrease in cereals, most of the other items showing an advance. Imports amounted to \$92,111,400, an increase over the previous year of \$2,467,400.

The receipts in the post-office service were again larger than in the preceding year, and the deficit occasioned by the reduction of postage is only \$4,500, and may be expected to disappear in the course of the present year. The importance of the parcels-post service continues to increase. During the year 953,299 parcels were received, amounting in value to 88,823,000 francs, about 2,000,000 francs more than in 1907. There were sent out of Algeria 291,729 parcels, mostly of fresh fruit, valued at 2,144,000 francs.

SHIPPING AND RAILWAY STATISTICS—EXPORTS.

The number of vessels entering and clearing was 4,326, and the tonnage 4,635,044, an increase over 1907 of 473,508 metric tons (metric ton = 2,204 pounds). The amount of coal used for ships was much greater than in the preceding year, and the value of the total imports of coal exceeded that of 1907 by more than \$200,000.

The receipts from passengers on the Algerian railway lines increased over \$320,000. The total length of the lines open for traffic is over 2,018 miles. The mileage will be considerably increased during the present year, as many branch lines are nearly completed.

The total length of the roads belonging to the colony at the end of the year was 1,821 miles. The expenditure on these lines for upkeep and repairs was more than \$8,000,000. This does not include the roads belonging to the departments or to the communes, over which the government of the colony has only a right of control. The most interesting of these is the coast road from Algiers to Mostanagem, constructed by the departments of Algiers and of Oran. The Algiers section now reaches Tenes.

The exports of ore were about the same as those of the preceding year. Six new concessions were granted during the year, but are not practically at work yet.

The results of the direct administration by the colony of the state forests have been most satisfactory. Fires have been reduced to a minimum, and the sales of the different products have steadily increased in amount, and show a smaller cost of working. Cork bark, cedar, and other woods, tan bark, and resin are the principal products.

Cereals of all descriptions, but principally hard wheat, suffered from the long drought, and the quantity available for exportation was only about one-half that of the preceding year, the estimated value of the exports being 42,510,000 francs (franc = 19.3 cents) against 84,690,000 francs in 1907, a falling off of \$8,400,000.

The crop of olives was a complete failure, but the oil of the previous crop was abundant, and the value of the exports was 10,942,000 francs, five times that of 1907.

The production of wine was about one-tenth less than in 1907. The quality was good and prices fairly remunerative. Stocks appear to be somewhat lower than last year, and buyers are disposed to operate freely at reasonable prices. Grapes were exported to the amount of about 9,500 metric tons, a large increase over the two preceding years. Artichokes also increased in quantity, aggregating about 7,000 metric tons. The exports of other articles were smaller than usual, peas, haricots, and tomatoes having been more or less damaged by the locusts.

The number of sheep exported in 1908 was 1,309,000, against 1,129,000 in 1907 and 1,043,000 in 1906. The value of sheep exported in 1908 is estimated at \$6,900,000.

TRADE WITH THE UNITED STATES.

The total exports from the Algiers consular district to the United States amounted to only \$377,179, or not much more than half the value of those of the preceding year. The principal articles, in the order of their importance, were corkwood, tartar, briar wood, vegetable hair, and goatskins.

The development in the exportation of briar wood is due to the action of an American house in taking up direct concessions for the extraction of this root, and preparing it for shipment. The shipments of this firm in 1909 promise to be far larger than in 1908.

The direct imports from the United States have not yet been valued. The leading articles and their quantities in metric tons were as follows: Petroleum, 5,610 tons; cotton-seed oil, 3,140 tons; machines and tools, 1,176 tons; leaf tobacco, 485 tons; wood, 370 tons.

This gives only an approximate idea of the real extent of the American goods imported here, as a quantity that it is not possible to estimate comes by way of France and other European countries, and is not included under the heading of American imports.

None of the cotton-seed oil imported here is employed for the adulteration of olive oil for export. The bulk of it goes to the native population either mixed with olive oil or pure. It is not uncommon, in order to give cotton-seed oil a different flavor, to store it in skins that have previously contained olive oil of the coarser descriptions. Adulteration and misbranding are closely looked after in Algeria, but their control in the interior is difficult.

Although the market for woven goods is almost entirely in French hands, it seems as if some business might be done in cotton goods. Direct importations from other countries average about \$100,000 annually, and probably considerably more comes from French houses. The principal article seems to be the bandannas, or colored cotton handkerchiefs, which the natives tie round their fez and which French manufacturers do not appear to produce, at least not in sufficient quantities or at sufficiently low prices. But to establish a trade in such articles, or in any article not already the object of a regular trade, such as farm implements, it would be absolutely necessary to quote in French currency for c. i. f. delivery at Algiers, if possible, but in any case at a French port. Correspondence must be in the French language.

DECLARED EXPORTS FROM ALGIERS TO UNITED STATES.

The declared value of exports from Algiers to the United States during 1908 is shown in the following table:

Articles.	Value.	Articles.	Value.
Briar wood	\$65,221	Sardines, salted	\$330
Carpets	776	Soap stock	2,049
Corkwood	77,202	Tapestry	155
Curios	159	Tartar	65,563
Glue stock	522	Wine	1,391
Goatskins	53,160		
Oils, essential	347	Total	268,475
Palm trees	463	Returned American goods	37,833
Personal effects	182		
Salted guts	955	Grand total	306,308

The reason given for returning American goods was that the goods were not as represented.

Consular Agent George S. Burgess at Bone, Algeria, reports declared exports to the United States as follows: Corkwood, \$15,579; and capers, \$1,406.

ORAN AGENCY.

By CONSULAR AGENT A. H. ELFORD.

The province of Oran is essentially agricultural. It is only partially cultivated, but the yearly extension of agriculture explains the increasing prosperity of the country, even when crops happen to be poor. The chief products are cereals, wine, early fruit, vegetables, esparto grass, curled fiber, bark, and minerals.

The cereal crop was a poor one, but prices were high, and agriculturists had no reason to complain. Vines have again been a cause of deception to growers. The production was small, quality indifferent, and prices low. A number of growers have been abandoning the vine for other cultures. The olive crop was an utter failure; however, for 1909 it promises well. Most of the olive oil is shipped to the coast of Brittany in France for the sardine trade, and the rest is consumed here.

For many years the province of Oran has regularly exported almost all its production in skins to the United States. After the financial crisis prices fell almost 50 per cent, and business came to a standstill. Stocks in store deteriorated and after some time were bought by French, English, and German firms. In 1908 a few orders were received from the United States, which indicate that business will again become brisk, although prices are still very low. American buyers as a rule ask for the superior quality of skins. They ought to buy from May to the end of December, for during that period skins are in their best condition and likely to give satisfaction. From January to May they are of inferior quality, and the result is sometimes disastrous to those who are not aware of this when passing their orders.

EXPORTS OF ESPARTO, CORKWOOD, AND KIESELGUHR—IMPORTS.

In 1907 about 90,000 tons of esparto were shipped, mostly to the United Kingdom, but it must be taken into account that it was an exceptionally good year. In 1908 the normal quantity was shipped, about 75,000 tons. A trial shipment of 100 tons was made to the United States in 1907, but prices here were at that time very high. There is reason to believe that in 1909 further shipments will be made, as prices have fallen.

A decided decrease in the exportation of corkwood, amounting to almost 30 per cent, occurred in 1908. Shipments are made to Belgium and Austria. Quantities of kieselguhr have been discovered in this province, and sample parcels have already been shipped to the United States, United Kingdom, Belgium, and Netherlands. It is composed of the following matters: Carbonate of calcium, about 30.84 per cent; carbonate of magnesia, about 12.38 per cent; infusorial silica, about 56.78 per cent. It is a kind of "white tripoli," which was formerly used in the glass and china manufactories. It is now used for

the following: For dynamite as an inert matter which absorbs the nitroglycerine; in the fabrication of silicate of potash and enamel; for polishing, sharpening, and cleaning; for sealing wax as an inert matter; in the fabrication of very light bricks and as mortar for free-stone; as an insulator in ice houses, safes, powder magazines, etc., being a nonconductor of heat; in the manufacture of boiler covering.

The imports from the United States into Oran during 1908 included the following: Agricultural machinery, 467 tons, an increase of 84 tons over 1907; cotton-seed oil, 1,687 tons, an increase of 1,048 tons; petroleum, 351 tons, a decrease of 202 tons; salt pork, etc., 52 tons; tobacco, 125 tons, an increase of 2 tons; wood, timber, etc., 1,398 tons, an increase of 892 tons; other articles, 59 tons.

During 1908 exports of skins to the United States amounted to \$22,458; tobacco, \$1,062; corkwood, \$3,564; vegetable fiber, \$45,302; marble, \$10,719; total, \$83,105.

TUNIS AGENCY.

By CONSULAR AGENT AUGUSTE J. PROUX.

The foreign trade of the regency of Tunis during 1908 amounted to \$41,927,000, the imports being valued at \$23,750,000 and the exports at \$18,177,000. This was an increase of \$3,950,000 in imports and a decrease of \$2,023,000 in exports, as compared with 1907.

Owing to the failure of crops the year was one of great depression, especially during the second part. The depression extended into the first part of 1909 and only a good harvest can reestablish prosperity. Trade suffered severely owing to the reduction in purchases by the natives, and bankruptcies were more frequent than usual. Fortunately this country enjoys the benefit of a comparatively strong banking organization, and the support given by these banks to their customers saved commerce from greater disaster.

DISTRIBUTION OF TRADE.

In the following table is given, in round numbers, the value of the imports into and exports from Tunis, by countries, during 1908:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$417,000	\$26,000	Malta.....	\$64,000	\$420,000
Algeria.....	3,168,000	896,000	Netherlands.....	77,000	232,000
Austria-Hungary.....	322,000	98,000	Norway.....	33,000	79,000
Belgium.....	820,000	1,000,000	Portugal.....	7,000	75,000
Brazil.....	169,000	.....	Roumania.....	103,000	1,000
British India.....	57,000	5,000	Russia.....	146,000	20,000
Bulgaria.....	8,000	29,000	Spain.....	117,000	185,000
China.....	41,000	.....	Sweden.....	144,000	60,000
Egypt.....	56,000	379,000	Switzerland.....	427,000	.....
France.....	13,279,000	8,136,000	Turkey and Tripoli.....	349,000	140,000
Germany.....	688,000	457,000	United Kingdom.....	1,923,000	2,005,000
Greece.....	63,000	50,000	All other countries.....	51,000	20,000
Italy.....	1,210,000	3,723,000			
Japan.....	11,000	132,000	Total.....	23,750,000	18,177,000

In the following statement is given the value of the principal articles of import into and export from Tunis during 1908:

Articles.	Value.	Articles.	Value.
IMPORTS.		EXPORTS—continued.	
Cattle.....	\$550,000	Breadstuffs—Continued.	
Chemicals.....	217,000	Oats.....	\$825,000
Coal.....	834,000	Wheat.....	220,000
Drinkables.....	391,000	Cattle.....	628,000
Farinaceous foods.....	4,153,000	Fish.....	566,000
Fruits and seeds.....	245,000	Foots and foots oil.....	279,000
Groceries.....	708,000	Hides.....	84,000
Meat and meat products.....	709,000	Lead.....	814,000
Metals, and manufactures of:		Oil, olive.....	2,700,000
Metals.....	1,238,000	Ore:	
Manufactures.....	3,980,000	Copper.....	39,000
Oils and vegetable extracts.....	328,000	Iron.....	215,000
Sugar.....	581,000	Phosphate.....	6,117,000
Textiles.....	2,587,000	Skins:	
Thread.....	372,000	Goat.....	79,000
Timber.....	664,000	Sheep.....	171,000
EXPORTS.		Soap.....	145,000
Breadstuffs:		Sponges.....	348,000
Barley.....	146,000	Zinc.....	802,000
Flour.....	19,000		

CROPS—MINING—RAILWAYS.

The crops of wheat, barley, and oats failed partly. The export of these products fell from \$5,430,000 in 1907 to \$1,191,000 in 1908. The imports of farinaceous foods rose from \$1,912,000 in 1907 to \$4,153,000 in 1908, and the imports of oil and vegetable extracts increased from \$80,000 to \$328,000. The production of olive oil fell below the local requirements, and the price rose to \$35.50 per 100 kilos (kilo = 2.2 pounds), the average price being \$16.80 per 100 kilos and the lowest price \$12.40. The prospects for the next harvest are fair.

Notwithstanding the almost prohibitive duty and local tax on cotton-seed oil some quantities were imported. The wholesale price, all dues paid, was about \$14.55 per hundredweight. The customs dues and local tax amount to \$8 per hundredweight. Most of the imported oil was of American origin, but the quantities imported by British firms are recorded as British produce.

An increase in the production from mines has induced French capitalists to provide for the local treatment of minerals. A lead plant is now being erected near the city of Tunis. Iron works, notwithstanding the fair treatment they receive from the Government in the matter of contracts, do not seem to prosper as much as was expected. Several concerns are seriously affected by the present low prices in the world's market. Tunisian phosphate, although of a lower grade, competes with Floridian in many places. Exports in 1908 were valued at \$6,117,000 against \$5,100,000 for the previous year.

The programme of railway extension drawn up two years ago is being followed out. Within the next two or three years 200 miles of railway lines will have been added to those now in use. In 1908 an electric railway was successfully carried across the lake of Tunis seaward. The line lies on a muddy embankment. Columns of concrete sunk to firm ground far below the level support the weight of the line. The project had been criticised, owing to the difficulty in finding a firm

foundation, but the problem seems to have been satisfactorily solved. The line has been opened for several months without any interruption in the service. The distance covered across the lake is 7 miles; the entire distance is 10 miles.

TRADE WITH THE UNITED STATES.

The imports from the United States into Tunis in 1908 amounted to \$417,000 against \$595,000 in 1907, and \$577,000 in 1906. In the following table is given the value of the articles imported during 1908:

Articles.	Value.	Articles.	Value.
Machinery:		Provisions:	
Agricultural	\$88,000	Lard	\$19,000
Dynamos	3,000	Pork	25,000
Sewing machines	7,000	Timber	49,000
Tools, etc.	8,000	Tobacco	104,000
Metals, manufactures of	9,000	All other articles	33,000
Oils:		Total.	417,000
Cotton-seed	8,000		
Mineral	14,000		
Petroleum	50,000		

According to Tunisian figures the exports to the United States during 1908 amounted in value to \$26,000 against \$21,000 in 1907. The exports in 1908 consisted of the following articles: Fruits oil, \$15,000; olive oil, \$2,000; sponges, \$1,000; snails, \$2,000; hides, \$2,000; other articles, \$4,000. The value of the articles declared for export to the United States at this agency, however, amounted to \$8,142, including returned American goods valued at \$258. The articles and their value were: Fruits oil, \$658; olive oil, \$1,334; orange flower water, \$1,087; oriental fancy goods, \$1,492; sheepskins, \$3,312.

Among articles that the United States should furnish for this market are agricultural machinery, locomotives, railway cars and appliances, hardware and other metallic articles, concrete machinery, preserves of all kinds, typewriters, sewing machines, wire fencing, and shoes.

MADAGASCAR.

By CONSUL JAMES G. CARTER, TAMATAVE.

The total foreign commerce of Madagascar for 1908 was valued at \$10,278,748 against \$10,150,523 for 1907. The imports in 1908 amounted to \$5,822,201 against \$4,887,389 in 1907, and the exports \$4,456,547 and \$5,263,134, respectively. The following table gives the the value of the principal articles imported into Madagascar during 1907 and 1908:

Articles.	1907.	1908.	Articles.	1907.	1908.
Arms and ammunition.....	\$13,540	\$20,696	Paper and appliances.....	\$79,284	\$87,110
Beef and pork, salted.....	20,724	24,385	Petroleum.....	73,137	61,354
Candles.....	29,929	39,286	Potatoes.....	24,165	24,002
Chemicals.....	71,213	99,987	Sirups and sweetmeats.....	21,407	21,646
Clothing.....	35,355	36,413	Spirits, wines, and malt		
Coal.....	87,018	107,243	liquors.....	638,028	569,405
Coffee.....	12,879	34,678	Stone, marble, etc.....	120,538	212,500
Cotton fabrics.....	1,826,225	2,166,403	Straw goods.....	26,503	27,067
Flour.....	111,566	170,519	Sugar.....	64,968	75,957
Household utensils.....	65,806	64,947	Thread.....	39,379	52,933
Fruits and seeds.....	16,481	16,806	Tobacco.....	46,353	41,299
Glassware.....	16,580	15,272	Tools.....	38,796	40,046
Ironmongery.....	69,499	99,021	Toys, etc.....	60,904	55,919
Leather, manufactures of.....	51,154	72,207	Umbrellas.....	24,177	25,009
Linen and hemp fabrics.....	61,184	41,102	Vegetables, canned and		
Medicines.....	12,362	30,911	dried.....	31,587	34,532
Metals:			Wood, and manufactures		
Manufactured.....	209,828	322,773	of.....	53,127	100,284
All other.....	126,281	172,869	Woolen goods.....	25,936	31,322
Milk, condensed.....	28,524	33,053	All other articles.....	616,040	747,227
Oil, olive.....	17,256	22,798			
Paints.....	19,611	22,626	Total.....	4,887,389	5,822,201

The greatest increases in imports during 1908 were as follows: Cotton fabrics, \$340,178; manufactured metals, \$113,225; stone, marble, etc., \$91,662; divers compositions, \$61,652; flour, \$58,953; unmanufactured metals, \$46,588; ironmongery, \$29,522; chemicals, \$28,774; coffee, \$21,799; leather manufactures, \$21,053; coal, \$20,225; medicines, \$18,559; wood and manufactures of, \$47,157; thread, \$13,554; sugar, \$10,969. The increased imports of building material in various forms show the impetus given to construction work in the colony. The manufactured and unmanufactured metals, stone, marble, earthenware, etc., represent largely rails, cement, and other materials for the government's railroad from Tananarivo to the East Coast, now in construction, and the building of a waterworks system at Majunga. Included in manufactured metals was also \$24,522 worth of mining machinery of which none was imported in 1907.

The articles of import showing greatest decreases were claret wine, showing a loss of \$26,825; brandies and rum, \$23,698; linen and hemp fabrics, \$20,082; boats, \$15,496; cutlery, \$11,783; petroleum, \$11,783; beer, \$6,678; tobacco, \$5,084; toys and trifles, \$4,985; locks, \$4,046.

DECREASE IN EXPORTS.

The exports from Madagascar in 1908 were valued at \$4,456,547, against \$5,263,134 for 1907. The following table shows the principal articles exported during 1907 and 1908.

Articles.	1907.	1908.	Articles.	1907.	1908.
Bark.....	\$128,864	\$64,214	Rice.....	\$70,939	\$157,752
Beeswax.....	187,371	241,034	Rubber.....	1,011,828	243,320
Cloves.....	19,848	38,941	Timber.....	14,999	18,396
Coffee.....	16,470	28,845	Shell, tortoise.....	30,006	26,309
Ebony.....	49,047	81,249	Vanilla.....	192,402	201,436
Fiber, raffia.....	310,874	351,121	Vegetables, dried.....	143,111	168,668
Gold dust.....	1,540,539	1,823,216	All other articles.....	116,006	120,689
Hats.....	101,702	127,315	Total.....	5,263,134	4,456,547
Hides.....	1,102,024	618,180			
Oxen.....	227,104	146,132			

There was a decrease in 1908 of \$768,508 in the exports of rubber, \$483,844 in hides, \$64,650 in bark, \$80,972 in oxen, and an increase of \$282,677 in gold dust, \$86,813 in rice, \$53,663 in beeswax, and \$40,247 in fiber.

Of the total foreign trade of Madagascar, amounting to \$10,278,748, France held \$8,327,518. The direct imports into and exports from Madagascar, by countries, are shown in the following table:

Country.	Imports.	Exports.	Country.	Imports.	Exports.
United States.....	\$35,265	\$2,536	United Kingdom.....	\$158,886	\$120,392
East Coast of Africa.....	39,596	48,258	British colonies.....	175,080	176,682
France.....	5,070,213	3,257,305	All other countries.....	107,218	22,099
French colonies.....	174,803	171,739	Total.....	5,822,201	4,456,547
Germany.....	61,140	648,536			

It should be noted that the foregoing values represent goods that have been imported from and exported to the various countries, and not imports originated and exports consumed in the countries designated. While France and her colonies have been credited with having sent approximately 90 per cent of the total imports into Madagascar during 1908, it can not be said that that proportion of the trade represents French goods or has been controlled by France and her colonies. The figures represent, to a certain extent, goods from the United Kingdom, Germany, and other European countries and America, whose established houses and agencies in France export merchandise to Madagascar. According to figures furnished this office by the customs authorities, the actual value of goods originating in France and her colonies and imported into Madagascar during 1908 was \$4,972,908. The imports of British origin in 1908 were valued at \$267,971; British colonial, \$128,055; Norwegian and Swedish, \$61,839; German, \$60,858; United States, \$50,180; and East African Coast, \$11,536.

TRADE WITH THE UNITED STATES.

The total value of imports into Madagascar from the United States during 1908 was \$50,180, against \$42,515 for 1907. Of the imports in 1908, \$35,265 came direct and \$14,915 through other countries. The value of the principal articles imported was as follows: Petroleum, \$37,429; manufactured, metals, \$4,364; cotton fabrics, \$3,398; lard, \$1,154; and sewing machines, \$1,325. The total exports from Madagascar to the United States amounted to \$2,536, the principal article being fiber.

The total value of declared exports to the United States for 1908 was \$1,576, against \$4,266 for 1907, the article exported being raffia.

Although the value of imports from the United States into Madagascar increased from \$22,119 in 1905 to \$50,180 in 1908, this does not represent any continued organized growth of American shipments into the colony. The increase represents mostly trial orders that have been solicited through correspondence, and such other American articles as because of their peculiar fitness have necessarily been imported in spite of the high customs tariff, the inadequate freight facilities, and lack of American commercial representation in the colony.

The paucity of exports from Madagascar is due largely to the lack of commercial representation in the colony, but it is believed that as the American importer continues to appreciate the importance of purchasing Madagascar rubber, vanilla, raffia, hides, beans, rabannas, etc., in the local market, rather than from French and other European markets, shipments to the United States will be greatly increased.

AGRICULTURE—PUBLIC WORKS—MINING.

The increased exportation of such articles as cacao, coffee, "cape beans," vanilla, rice, cloves, etc., together with what appears to be a more vigorous campaign on the part of the colony, through its service of colonization, to put into use all classes of soil suitable for agriculture, are indications of a larger agricultural future for Madagascar. Drainage and irrigation, which heretofore have received little or no attention, are being practically undertaken, forest reserves are being made, natives are being urged to plant more rice, renewed and increased impetus is being given to silk culture, and ostrich breeding is being encouraged.

Practically all of the colony's public work is done by contract, the total amount in 1908 being \$772,000. The only undertakings of note during 1908 were the installation of a waterworks system by the municipality at Mojanga, and the extension of the colony's railroad from Anjiro to Tananarivo, a distance of 49 miles. This extension makes a complete link of 161½ miles between Tananarivo and Brickaville. Tamatave is 92 miles from Brickaville, and the service between the two places is effected by a railroad from the former place to Ivondroo and the remainder by water.

The chief interest in gold mining in Madagascar has for some time been centered in the environs of Diego Suarez, in the northeastern extremity of the island, where the output has proven very satisfactory to the few prospectors who have control of the small area of land said to contain the precious metal.

For many years it has been claimed that petroleum oil deposits existed on the west coast of Madagascar, but it was not until the latter part of 1908 that any practical recognition was given to such claims. The concession now being worked contains about 30,000 hectares (hectare=2.47 acres), situated near the west coast of the island, about 118 miles from Tananarivo, the capital. This office has been informed by the parties interested that 40 tons of prospecting machinery have been ordered from the United States. The concession holder is an American and, it is understood, has interested South African and American capital in the undertaking.

During the past three years concessions have been granted for the lighting by electricity of Tananarivo, Tamatave, Diego Suarez, and Mojanga. At Tananarivo poles for the electric wires are being scattered about the streets, and electric lights will be installed throughout the town by the last of December. At Tamatave an electric plant has already been partly established. Work will be pushed rapidly, and it is expected that electric lights will be installed throughout the city by January 1, 1909. It is provided in the concession that all the material to be used in the plant shall be of French make.

REUNION.

By CONSUL JAMES G. CARTER, TAMATAVE, MADAGASCAR.

The total foreign trade of Reunion for 1908 was valued at \$5,209,398, against \$5,494,300 in the previous year, a decrease of \$284,902. The imports were valued at \$2,279,837 and the exports \$2,929,561 in 1908, while for 1907 their value was \$2,796,761 and \$2,697,540, respectively.

The export figures for 1908 were the largest for any year during the past five, while those for imports were the smallest for the same period, except in 1906.

France controls the bulk of the trade, its share amounting to \$4,061,345 in 1908, against \$4,062,889 in 1907; French colonies, \$702,720 and \$973,887; and all other countries, \$445,333 and \$457,530, respectively, for the two years. Of the imports in 1908, France shipped articles valued at \$1,345,771; French colonies, \$638,206; and all other countries, \$295,860. Of the exports during the year, France took articles worth \$2,725,673; French colonies, \$64,514; and all other countries, \$139,374.

The imports into Reunion from the United States during 1908 were valued at \$25,628, as compared with \$50,905 and \$53,997, respectively, for 1907 and 1906. The imports in 1908 consisted of flour worth \$420 and petroleum \$25,208, while in 1907 the articles were canned meats and lard worth \$4,281, flour \$6,242, and petroleum \$40,381. There are practically no shipments to the United States.

LIBERIA

REVIEW OF TRADE CONDITIONS.

By CONSUL-GENERAL ERNEST LYON, MONROVIA.

Liberia experienced a marked business depression during 1908. The chief causes contributing to this were the internal political conditions, the chronic embarrassment of the public treasury, the new law effecting the hire of Kroo "boys" for coastwise service, the fall in the price of piassava, and the suspense growing out of international relations. These combined in producing uncertainty and consequent depression in commercial circles. Conditions, however, have brightened up considerably during the first part of 1909 and merchants are hopeful of the future.

The advent of the Liberian Development Company brought money into the country as the result of the 1906 loan of \$480,000, and the amortization of Liberian paper currency placed the money in the

hands of the people, where it could be used independent of local limitations hitherto existing. This new condition without doubt aided imports and swelled the customs revenue to an extent never before known. This increase, coming as it did, was charged to reform in the customs department under the new management, but it is clear from subsequent development that this advance, so noticeable in 1907, could not be attributed to that source, for with the waning of the loan fund in the company's treasury came also the waning in the customs receipts due to a drop in the value of imports.

NEW ORDER GOVERNING IMPORTS.

A new order governing imports has arisen from the establishment at Monrovia of a branch of the Bank of British West Africa. Prior to this imports were sent direct to importers, who remitted after the goods were disposed of. According to this arrangement, all that was necessary on the arrival of imports was to pay the customs duties and release the goods, thus giving the importer a chance to turn over before remittance in either cash or produce.

With the advent of the bank has come, however, a change in this order. The invoice of the importer with a sight draft attached is now sent to the bank for collection before goods are released. The importer under this new arrangement is therefore compelled not only to satisfy the claims of the customs department before he can touch his goods, but also to satisfy the face value of the draft held against him by the bank. At first this was somewhat confusing to Liberian importers of local reputation, because no notice was given them beforehand of this radical change, and the result was depressing. Although his local credit may be good, and he may also have ample securities on the ground, nevertheless, if he can not command relief from private sources there is no institution, banking or otherwise, that will advance the cash to release his goods. Under such circumstances it is impossible for business to maintain a healthy equilibrium.

LIBERIAN INDUSTRIES—AGRICULTURAL OUTLOOK.

Liberian industries are confined to agricultural spheres, the production of coffee, palm oil, and piassava. There are no permanent industries in the mechanical or other economic arts, such as milling, sash, window, door, or planing factories, although there are abundant opportunities for the founding and development of such industries. There are no enterprises in fruit cultivation, in tanning, or in canning factories, although the country abounds in unlimited advantages for the success of these. The climate itself is particularly favorable to growing fruits, many of which, such as the pineapple and the guava, are indigenous to the soil. The sugar cane grows luxuriantly and so do the orange and the banana, the stubble of the cane lasting from three to five years. The orange is usually luscious and juicy, and the banana surpasses anything that is sent from the Canary Islands to the English markets. There are also decided advantages to this trade from the recently increased water communication between the markets of England and Europe, which should serve as a stimulus to fruit cultivation. It can not be doubted that if there were enough of these products to justify an experiment in exportation the steam-

ship company would be willing to make the necessary provisions for rapid transit.

Considerable effort has been made during the past year to revive interest in agriculture. The appointment of an agricultural bureau, the organization of farmers' alliances throughout the Republic, and the holding of county fairs have contributed much in this direction. Notwithstanding these new features, it can not now be said that the agricultural possibilities of the district are bright and encouraging. The country can hope for no better condition until the organization of permanent industries along the lines already indicated. Capital is needed to stimulate this. The presence of a bank that could guarantee to the merchants and farmers small loans upon good security in order to aid them in the nick of time would supply a long-felt need. The country is rich and the soil productive. The other great need along with capital is the application of modern and improved methods in farming.

LABOR CONDITIONS.

Agricultural endeavors in Liberia are absolutely dependent on manual labor. No machinery is used in the cultivation of the soil, and the plow and the mule are unknown. The methods in vogue are crude and primitive, the chief implements being the hoe and the cutlass. This condition renders manual labor imperative, and the native becomes an important factor in the solution of all problems of labor.

The native must contribute a certain portion of his time and labor to the cultivation of his own farm, and he allows no contingency to cheat him out of this traditional interest. It so happens that the time he must give to the cultivation of his own crop is the time that the farmers need him for the same purpose. Under this arrangement the farmer suffers unless he has his own "boys." Another difficulty arises from the new demands on native labor for coastwise service on board the merchant vessels plying up and down the West Coast from Cape Mount to Togoland. Ordinary farm labor is paid \$2.50 to \$3 per month, with rations. Labor on coastwise vessels is paid \$7.50 to \$11.28, with rations. Unless the farmer can compete with this new condition he is at a disadvantage. Added to this is the important fact that the marine service demands the native's labor when his own farm does not, so that he can easily and profitably make the trip and return in ample time to supply the demands of his own local needs. Efforts have repeatedly been made to regulate this condition by legislative enactment. Among the present legislative restrictions is a per capita tax of \$1 on all "boys" shipped out of the country, payable by the shipper. Last year one firm paid into the treasury for this purpose \$15,000. Another law is a direct head tax of \$4 on labor shipped beyond the limits of the Republic for the period of a year or more.

NEED OF BETTER ROADS TO INTERIOR—MINING.

The most pressing demand to-day in Liberia is good roads to and from the interior. The country is still dependent upon the native footpath for travel any distance into the interior and upon human portage for transportation of every kind. This slow method

through labyrinthine paths and subject to all kinds of bush contingencies is subversive of commercial development.

Many hoped that the Liberian Development Company would have been able to carry out its agreement and thus furnish one good road at least, running some distance into the interior, for commercial and other purposes; but it failed after the expenditure of a large sum of money on a road and experiments in transportation by automobile carriages. The road itself extends about 12 miles from the river front, the base of the company's operation, and this distance, with the exception of a few miles, passes through the civilized settlements along the route and does not penetrate into the interior.

The Republic, according to expert testimony, is rich in mineral products, but apart from the operations of the Union Mining Company, which has since become a part of the Liberian Development Company, no serious effort has been made to develop these resources. Gold in small quantities from the alluvial deposits has been taken by private individuals from the streams and freshets, and these individuals declare, upon what they call definite proofs, that there are reefs within the area only waiting for capital to develop them into paying enterprises. Iron ore in abundance and mica in large quantities are distributed all over the district and especially in Montserrado and Bassa counties.

Mr. J. Edmestone Barnes reports as follows concerning his surveys and the mineralogical possibilities of the Republic:

In 1890 I made extensive surveys in the different provinces of Liberia for the Government. During the course of the operation what I saw struck me very favorably that the country possesses great mineralogical possibilities, and that sooner or later gold would be found in both the alluvial and quartz reef deposits. I verily believed at the time, too, that diamonds and other precious stones would be found in particular places in certain of the central provinces. I had fully made known my views on the subject to the President, Mr. Johnson, and the secretary of state, Mr. Barclay. I told them that I was thoroughly convinced that Liberia possesses untold wealth in latent mineral resources, for from observations I made I saw quartz reefs colored from ferruginous oxides exposed to the surface of the soil, bearing the stamp of the Upper and Lower Silurian rocks, running in the directions north by west and north by east. These rocks and soils to my mind correspond exactly with those of the Venezuelan gold field belt, of the same geological period.

I believe if the mining business is taken up in the country and conducted in a systematic and practical business manner by the people of Liberia themselves the dawn of the day of Liberia's prosperity will have begun.

IMMIGRATION.

The American negroes, for whose benefit Liberia was founded, do not come in any appreciable number. It is safe to say that there has not been during the past 6 years—covering the period of the present consularship—200 immigrants from the United States. Those who came with some money, finding conditions so different from what they expected, returned, and those who remained suffered and died from the rigors of the climate and the lack of comfort.

Immigration should be encouraged. Ten thousand able-bodied recruits would place conditions on a competent basis. It must be well understood, however, that the country in its present condition is unprepared for indiscriminate immigration. No practical effort since the days of the American Colonization Society has been made for immigration, and immigrants without the financial ability to take care of themselves and their families in the new country until

their endeavors could succeed would suffer untold privations. This inability has been the most serious drawback to the few who have come in recent years.

Immigration to succeed must have practical organization and financial backing. Immigration from the United States and from the West Indies would succeed without difficulty if some philanthropist would finance the movement. This would make direct transportation between the United States and Liberia probable and it would revolutionize conditions in trade and in every other direction. America has lost and will continue to lose the trade of the west coast of Africa for want of this convenience. Attention is continually called to this defect, and it is hoped that in the near future some practical means may develop.

IMMIGRATION LAWS.

Following are the provisions of the law governing immigrants and their expenses:

Each settler on his arrival in this Republic is entitled to draw a town lot or a plantation, for which the President shall give him a certificate specifying the number and the time of drawing. If a town lot is drawn it is required that a house of sufficient size to accommodate all the family of the proprietor and built of stone, brick, or other substantial materials and workmanship, or if frame or logs, weatherboarded and roofed with tile, slate, or shingles, be erected thereon, and be completed two years from the date of the certificate; the drawer will be entitled to a deed in fee simple. If a plantation be drawn and within two years two acres of land on said plantation shall have been brought under cultivation, the certificate shall be exchanged for a deed in fee simple.

That every married man shall have for himself a town lot or 5 acres of farm land, together with two more for his wife and one for each child that may be with him, provided always that no single family shall have more than 10 acres. Women not having husbands immigrating into this country with permission and attached to no family besides their own shall receive each a town lot or 2 acres of farm land on their own account and 1 acre on account of each of their children. Unmarried men of the age of 21 years arriving in the Republic from abroad, on attaining their majority while resident in the same and having taken oath of allegiance, shall be admitted to draw and hold a building lot or 5 acres of farm land on the same condition as married men.

No transfer bargain or sale or lease of said lands before a fee simple deed has been acquired shall be valid. In case the holder of a certificate should die before perfecting his title the imperfect right thus acquired shall descend to his heirs in the Republic.

That from and immediately after the passage of this joint resolution any immigrant or immigrants coming into the Republic of Liberia must first take oath of allegiance to the Republic and abjuration of the sovereign or state whence he comes, after which he may receive aid from the Government as such. The immigrant agent or agents shall keep a true and correct account of all expense incurred for the benefit of said immigrant or immigrants. He shall make a quarterly report in duplicate of all money or moneys, goods, wares, and merchandise received for and on account of said immigrants, stating specifically what he received and paid out. The original report shall be forwarded to the secretary of the treasury, and the duplicate to the superintendent of the county, territory, or district where said immigrant or immigrants reside, which report shall be entered in a book provided for that purpose.

It is further provided that to any immigrant or immigrants remaining in the Republic of Liberia for a period of 5 years from the time of his, her, or their arrival into said Republic, the benefit received from the Government by said immigrant or immigrants so remaining shall be gratis; but should any of them declare their intention to permanently leave the Republic before the expiration of 5 years after arriving into said Republic the value of the benefits received from the Government by said immigrant or immigrants shall be estimated and considered a debt due the Government by said immigrant or immigrants, which shall be recoverable before any tribunal having competent jurisdiction.

HARBOR AND SHIPPING FACILITIES.

Among the most pressing drawbacks to shipping and commerce is the present condition of the bar at Monrovia, the chief port of entry. The distance between the anchorage and the landing on account of the shifting of the bar is about $2\frac{1}{2}$ miles one way, and fully 4 hours or more are consumed in making the trip. This condition is pleasing to the laborer, who gets more out of it than if it were otherwise. Several attempts have been made by the combined efforts of the city government and the merchants to shorten the distance by cutting a passage through from a nearer point, but each attempt has failed. The present bar is about 1 mile from the native settlement of the Kroo people, numbering about 7,000, who object to the new movement ostensibly on the ground that the opening would destroy the town, but it is believed that their objection is due more to the fact that it would shorten the time for loading and unloading vessels in the harbor.

The following wharves have been declared legal landing places at the port of Monrovia, subject to the regulations already laid down with respect to landing: Government, Weichers & Helm, W. D. Woodin, Woermanns, Dennis Brothers, Cost Afrika Company, and J. W. West. Landing of foreign or coastwise cargo of any description whatsoever is permitted only at the wharves named, subject to existing regulations respecting landing and warehousing.

Shipments of produce are permitted at all the above-named wharves and also at the following: J. J. Morris, The Liberia Rubber Corporation, S. H. Arnett, and H. Cooper & Sons. Landing of packages at these wharves is prohibited, except under special circumstances, to be decided by the chief inspector of customs.

All steamer purchases, passengers and their baggage, Kroo ship boys and baggage shall be landed only at a government wharf.

Shipping facilities in the Republic have somewhat increased since 1907. On an average a steamer drops anchor in the port of Monrovia every day in the year, Sundays not excepted. Two of every three are German vessels of the Woermann Line, and the third is usually a British boat of the Elder-Dempster Line. It is not generally known that an American steamer stops regularly at Cape Palmas once a month in each direction. This is a lumber steamer belonging to Mengel Brothers, Louisville, Ky., and calls there to take on and put off Kroo boys used in loading mahogany at Axim and Sekondi. In fact, the preference of steamer captains for the Kroo labor of the Liberian coast is responsible for the frequency with which vessels call at Liberian ports.

The number of vessels entering and clearing at the Liberian ports during 1908 was 954, of 1,663,468 tons, against 649 vessels, of 1,042,433 tons in 1907.

IMPORTS AND EXPORTS BY ARTICLES.

The total value of imports into Liberia during 1908 was \$1,016,191. The value of the principal articles imported was as follows:

Articles.	Value.	Articles.	Value.
Agricultural implements.....	\$2,081	Lime and cement.....	\$4,370
Arms and ammunition.....	18,870	Oil, kerosene.....	13,843
Bags, empty.....	11,751	Matches.....	1,545
Beads.....	7,225	Medicine.....	5,659
Boats and fittings.....	19,743	Mineral waters.....	7,341
Boots and shoes.....	15,644	Paints and oils.....	3,007
Books and stationery.....	11,922	Perfumeries.....	2,532
Breadstuffs:		Powder, gun.....	9,849
Bread.....	3,978	Provisions:	
Flour.....	13,477	Meat products—	
Buckets and tubs.....	3,018	Bacon and ham.....	15,209
Clothing.....	28,373	Beef and pork.....	11,883
Cocoa and milk.....	7,145	Lard.....	7,169
Confectionery.....	1,153	Dairy products: Butter.....	5,801
Cottons.....	107,525	All other.....	33,620
Crockery and earthenware.....	7,104	Rice.....	166,701
Enameled ware.....	3,747	Salt.....	7,125
Finery.....	4,043	Soap.....	8,764
Fish.....	42,045	Spirits, wines, and malt liquors:	
Fruit and vegetables.....	2,439	Ale, beer and stout.....	7,887
Glassware.....	1,628	Rum and gin.....	57,895
Haberdashery.....	51,026	Whisky and brandy.....	4,322
Hats and caps.....	10,648	Wines.....	8,910
Instruments, musical.....	1,973	Sugar.....	10,509
Iron and steel, and manufactures of:		Tobacco.....	67,761
Cutlery.....	4,633	Umbrellas.....	4,317
Galvanized iron.....	20,502	Wood, and manufactures of:	
Hardware.....	22,126	Boards.....	26,596
Machines, sewing.....	2,324	Furniture.....	3,882
Wire netting.....	7,084	Shooks.....	4,035
All other.....	8,977	All other articles.....	68,187
Jewelry.....	5,600	Total.....	1,016,191
Kettles, brass.....	7,375		
Lamps and lanterns.....	10,134		

It is regretted that the countries of origin can not be obtained, but the new customs records which will be in force after this year will give the details necessary to a full report.

The total value of exports from Liberia during 1908 was \$984,439, the following table showing the value of the principal articles exported:

Articles.	Value.	Articles.	Value.
Coffee.....	\$163,430	Rubber.....	\$35,156
Cocoa.....	1,346	Specie.....	5,600
Ivory.....	28,390	All other articles.....	1,525
Oil, palm.....	350,193	Total.....	984,439
Palm kernels.....	195,491		
Piassava.....	203,308		

It will be seen that the Republic of Liberia spends more than it makes, that the imports exceed the exports by \$31,752. The most notable fact is that many of these imported articles could be cultivated on Liberian soil. The country is favorable to the cultivation of rice, nevertheless the people spent during 1908, \$166,701 for foreign rice. What is true of rice is equally true of corn meal, dried fish, lard, and salt meats. Virgin forests of valuable woods await the woodman's ax and the accompanying sawmill to manufacture these natural products into lumber for building purposes. Nearly all the lumber used at present is imported from the United States by way of the Canary Islands.

MOROCCO

REVIEW OF TRADE CONDITIONS.

By VICE-CONSUL-GENERAL GEORGE E. HOLT, TANGIER.

Commercial and industrial development in Morocco during 1907 and 1908 was perhaps largely retarded by the unfortunate political conditions existing during much of that period—from August, 1907, to the end of 1908—but despite adverse conditions a certain progress and development is to be noted, and augurs well for the possibilities of the country under better conditions.

Unusual enterprise has been shown by European banking houses in Morocco during 1907 and 1908, these years having been marked by the opening of the Banque d'État (state bank) and of several other institutions. During the latter part of 1907 speculation in Moorish currency, especially in the southern coast towns, gave rise to considerable criticism and caused the native currency to fall to a very low rate of exchange. This, however, was only temporary, and the year 1908 saw Hassani in a fairly steady position.

GOVERNMENT DECREE DISTURBS MARKET.

In August, 1908, considerable disturbance in the Moroccan money markets followed the attempt of the Spanish Government to demonetize the "sevillano" dollar, or 5-peseta piece. Owing to the lack of official provision in Morocco for the exchange of the sevillanos, and to the refusal of local money changers, merchants, and others to accept the condemned currency, a large portion of the capital of the country was temporarily useless, and a large per cent was paid for the exchange of the sevillanos. The situation cleared, however, with the discovery by the Spanish treasury that it had not enough legitimate silver coin to redeem the sevillanos, and the decree of demonetization was withdrawn.

The French occupation of Casablanca and the Shawia tended to increase largely the amount of French money in circulation here.

In 1907 the Comptoir National d'Escompte was changed to the Banque d'État, or state bank of Morocco, and opened for business under its new name in April, with branches at Casablanca and Mogador.

A branch office of the Bank of Spain will commence business in Tangier at the beginning of the new year. It will negotiate and draw bills on Spain and foreign countries, discount local paper, and purchase bonds, securities, and foreign gold coins. The Deutsche Orient Bank, of Berlin, is prepared to open branches at Tangier and Casablanca.

SHIPPING INTERESTS.

A number of new shipping lines and additional steamers on existing lines were inaugurated during 1907 and 1908. Forwood Brothers in the first part of 1907 added a two-steamer service between London and the Canaries, touching at the principal Moroccan ports en route; and the Power Steamship Company, of London, began a fortnightly service from London to Mogador the first part of 1908 with one steamship, to which another was added a short time later. In 1908 the Royal Mail Steam Packet Company took over the Forwood Brothers'

interests, with their two steamers, and continued the service under the new management. In June, 1908, Elder, Dempster & Co., of Liverpool, under the name of the British and African Steam Navigation Company, inaugurated a new fortnightly steamer service to the Canaries and the Moroccan ports.

In 1908, N. Paquet & Co., of Marseilles, added to their existing service a weekly service between Tangier, Rabat, Casablanca, Mazagan, Saffi, and Mogador, stopping at Casablanca, Rabat, and Tangier on the return trip. The Netherland Royal Mail Steamship Company in 1908 also inaugurated a bimonthly service from Antwerp between Tangier and Marseilles. The Spanish Government has announced the intention of establishing during 1909 a weekly postal service between Barcelona, Malaga, Tangier, and the other Moroccan coast towns.

The transportation facilities between the United States and Morocco have not been benefited to any extent, except in the matter of mail service, by any changes made during the past two years, and the necessity of transshipment at Gibraltar, with the correspondingly increased rate, offers a serious bar to the development of commerce with the United States.

The total number of merchant vessels calling at Moroccan ports in 1908 was 3,417 vessels of 2,353,297 tons. Of these 1,099, of 613,279 tons, were British; 757, of 791,795 tons, French; 376, of 425,138 tons, German; and 842, of 281,128 tons, were Spanish. The United States was not represented.

TELEGRAPH, MAIL, AND RAILWAY SERVICES.

The improvement and development of methods of communication were features of 1907 and 1908. In October, 1907, the Spanish cable connecting Tangier and Ceuta to Spain was reopened, and in July, 1908, the wireless telegraph service connecting Tangier, Casablanca, and Mogador with each other and with the world was begun. Inaugurated by the French in 1907, the service was taken over in 1908 by the Moorish Government to be operated as a public utility.

The reduction of French postal rates in 1907, the extension of the Imperial British penny post to Morocco in 1908, and the acceptance of Moorish currency by their offices equalized the rates of communication between this country and Europe by the post-offices existing here—British, German, French, and Spanish.

Almost nothing noteworthy in the way of improved transportation methods by land was recorded. The existence of a small, narrow gauge railroad in connection with the port works at Casablanca led to war. Railroads have therefore not been popular. The establishment of a narrow-gauge line from Casablanca to Ber-Reshid, about 42 kilometers (26 miles), was accomplished under military protection. This line, which was opened in September, 1908, and used principally for French military purposes, it is proposed to extend to Settat shortly. The continued existence and operation of such a line in the absence of military protection is, however, somewhat doubtful.

PUBLIC WORKS.

Plans, which were on foot in the beginning of 1907, for the accomplishment of certain public works, especially the construction of harbors in the important ports, fell through when the difficulties at Casablanca began, and for the past year and a half there has been

almost no time to think of public works. The port works at Tangier, which were begun in 1906 by a German construction company, are now nearly completed, and a great change along the water front of Tangier has been effected, not only by this improvement, but by the extension embankment and fill which has been run along the beach. The new port will greatly facilitate shipping at Tangier, and the modern customs houses will do away with much of the old-time dangers to goods by fire and water.

The port works at Casablanca are now in course of construction by a French company, and their proposed completion by the end of 1910 will make comparatively safe a harbor now dangerous on many occasions. The proposed harbor improvements at Laraiche and Saffi have not yet been begun, but the present year may see work started upon them. A French company has the contract for the work at Saffi, and it is expected that the work at Laraiche will be carried out with French and German capital.

The provisions of the act of Algeciras provide for the formation of a special public works fund of $2\frac{1}{2}$ per cent of the customs receipts, which, on £1,600,000 to £2,000,000, amounts to £40,000 to £50,000 (\$200,000 to \$250,000) per annum. The French administration of the customs has resulted in the equalization of duties and a considerable increase in the revenues.

NEW BUSINESS UNDERTAKINGS.

Despite unfavorable conditions during part of 1907 and all of 1908, a number of new industries have been established and enterprises planned. La Société de Pêche et Commerce, a French firm, during 1907 constructed an extensive sardine-canning establishment on the beach near Tangier, and in 1908 large shipments were made to Europe, and several shipments to the United States.

In March, 1907, a Spanish royal decree was issued, establishing a commercial agency at Tangier, with all Morocco as its field of action. This agency has been useful to Spanish trade, and was instrumental in securing, at the time of the attempt to demonetize the sevillano dollar, a place where these dollars might be exchanged for the legitimate currency.

An effort made by Spaniards to produce fiber from the palmetto failed, presumably owing to the prohibition of the customs against the exportation of the raw fiber.

Silk raising is now being carried on for the fourth year by Sir Rowand Anderson and his local agent. Even though carried on for the larger part under the most expensive conditions, it has been successful financially, and the silk raised is said by experts to be equal to the best Italian. Experiments tending to prove the possibilities of silk raising over most of the country and in the straw huts and gardens of the natives have been successful.

Under the provisions of the act of Algeciras relative to the sale of arms and ammunition, a Spanish gun shop was opened in Tangier in August, 1908, for the sale of nonrifled sporting guns, ammunition, and general sporting goods, and is meeting with success. There would seem to be little doubt that a representation of a number of American gun and supply houses would be equally successful.

Many new houses have opened for business, representing not only local capital, but European firms as well. The few business failures were unimportant and not due to general trade conditions.

LAND VALUES.

At the beginning of 1907 land in the vicinity of the coast towns, and especially of Tangier, was held at exaggerated prices, following a boom which had lasted through 1906. Speculation and trading in land had been brisk, and up to the time of the Casablanca incident appeared to the over-optimistic to be based on actual land values. French capital especially was keen in regard to land speculation, and the apparently prosperous times indicated by 1906 and the first part of 1907 had prepared much French capital for investment in Morocco. But within a few days after the incident referred to all plans for investment were dropped, and land values, like many other values, became hypothetical. The ensuing disinterestedness of foreign capital naturally resulted in a noticeable drop in the value of really good land, while land which formerly would have brought a good price as a speculation, became almost worthless.

In the immediate neighborhood of Casablanca there was some investment the latter part of 1908 by French capital, investors being assured of their property interests, and one capitalist holds at the present time some 2,000,000 square meters of land at a price of two francs per square meter. In Tangier and vicinity land values are still high, due perhaps to the fact that most of the property is owned by people who are old residents here and know the tendency of values to fluctuate greatly, and who have no immediate need of disposing of their interests. Those who wish to sell real property, however, find that there is little demand for it except at far less than the rates generally quoted.

FOREIGN COMMERCE OF MOROCCO.

The following table, giving imports and exports of Morocco for the calendar years 1907 and 1908, is made up from the statistics published by the government committee of customs, being the first publications of this nature having an official character. The imports and exports for the two years, by countries, were as follows:

Country.	Imports.			Exports.		
	1907.	1908.	Increase.	1907.	1908.	Increase (+) or decrease (-).
United States.....	\$27,088	\$52,255	\$25,217	\$3,921	\$24,109	+ \$20,188
Austria-Hungary.....	67,761	192,705	124,944	8,772	3,225	- 2,547
Belgium.....	272,142	348,624	76,482	12,850	23,767	+ 10,917
Egypt.....	3,217	3,345	128	161,107	112,977	- 48,130
France and Algeria.....	3,167,162	4,243,215	1,076,053	1,237,124	1,837,373	+ 600,249
Germany.....	371,959	546,957	174,998	1,554,821	1,546,563	+ 8,258
Italy.....	13,948	45,829	31,881	72,147	199,531	+ 127,384
Netherlands.....	7,283	10,667	3,384	.....	30,341	+ 30,341
Portugal.....	541	8,371	7,830	18,476	66,302	+ 47,826
Spain.....	167,915	228,057	60,142	433,501	629,692	+ 196,191
United Kingdom and Gibraltar.....	2,795,390	4,822,914	2,027,524	2,112,322	3,065,689	+ 973,367
All other countries.....	7,641	61,201	53,560	4,973	10,466	+ 5,493
Total.....	6,901,997	10,564,140	3,662,143	5,617,014	7,570,035	+1,953,021

* Imports and exports by land across the Algerian frontier are not included.

The imports into Morocco by land across the Algerian frontier during 1907 amounted to \$1,530,297, and in 1908 were \$1,310,856, a decrease of \$219,441, leaving the increase in the total imports from

France and Algeria into Morocco during 1908, \$856,612 when compared with 1907.

The exports from Morocco across the Algerian frontier by land amounted in 1907 to \$797,862 and in 1908 to \$2,441,450, a gain of \$1,643,588, which, added to the gain on sea-borne exports from Morocco to France and Algeria, makes a total gain of \$2,243,837 in the exports to France and Algeria in 1908 over those of 1907.

The trade of the various ports and the land trade across the Algerian frontier are shown in the following table:

Port.	Value.	Port.	Value.
Algeria (by land).....	\$3,752,306	Saffi.....	\$2,312,847
Casablanca.....	3,608,664	Tangier.....	2,454,722
Larache.....	2,382,760	Tetuan.....	262,003
Maragan.....	2,730,624		
Mogador.....	2,770,592	Total.....	21,886,481
Rabat.....	1,551,653		

Of the total foreign commerce of Morocco during 1908, including the transactions between Morocco and Algeria, France had over 44 per cent, the United Kingdom 36 per cent, Germany 9½ per cent, and Spain 4 per cent. These percentages are not based exclusively upon the statistics of the permanent committee of customs, which relate only to commerce by sea. The direct trade of the United States was only about one-third of 1 per cent, but the American sales and purchases through European houses dealing with Morocco would increase this percentage.

IMPORTS INTO MOROCCO.

The value of the chief imports into Morocco during 1907 and 1908 is given in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Bags and packing cloth.....	\$25,472	\$71,479	Paper:		
Beverages and alcohol.....	164,327	284,110	Wrapping.....	\$18,790	\$21,531
Biscuits and confectionery....	56,641	90,807	All other.....		34,561
Candles.....	214,218	347,678	Perfumery and toilet soaps....	4,061	9,470
Cement and plaster.....	22,911	23,307	Pottery and ceramic goods....	18,395	25,820
Chemicals and drugs.....	19,851	32,521	Provisions and preserved foods.....	24,420	126,943
Coffee.....	49,232	56,780	Rice.....	10,642	17,677
Copper.....	3,145	17,390	Silk, and manufactures of:		
Cotton, and manufactures of:			Raw.....	58,457	120,421
Raw.....	10,337	7,365	Cloth and foulards.....	88,520	115,293
Cloth.....	1,902,121	3,299,320	Soaps, other than toilet.....		34,782
Dyes and paints.....	13,490	27,251	Spices and pepper.....	57,855	77,892
Flour and semolina.....	457,462	205,396	Sugar.....	2,160,939	3,007,647
Fruits, dried.....		25,505	Tea.....	356,198	630,898
Fruits and oleaginous grains....		8,359	Thread and twine.....	46,298	102,443
Glassware.....	49,538	69,048	Tiles, bricks, etc.....	25,166	18,042
Gums and resins.....	3,865	13,307	Tin, sheet.....	10,016	27,036
Hides and skins, and manufactures of.....		31,857	Tobacco, and manufactures of.....	102,154	258,524
Iron and steel, and manufactures of:			Toys.....		19,535
Cutlery.....	5,503	5,954	Vegetables:		
Hardware.....	90,796	174,212	Dried.....		10,344
Iron, raw, rolled, or drawn.....	60,914	58,201	Potatoes.....		33,452
Machinery and implements.....		34,034	Wearing apparel for women, and novelties.....	16,176	67,017
Steel.....	3,699	34,217	Wood, and manufactures of:		
Italian pastes.....		25,319	Boards and timber.....	26,138	90,540
Linen cloth and draperies....	99,872	132,564	Excelsior packing.....	401	3,989
Matches.....	28,220	47,092	Furniture.....	22,364	29,521
Oils:					
Cotton-seed.....	27,716	41,344			
Kerosene.....	34,954	63,097			
Olive.....	11,402	36,591			

Of the six leading articles of import, cotton cloth was supplied chiefly by the United Kingdom, France, and Germany, named in the order of the value of their trade; sugar by France, Belgium, and Austria; tea by the United Kingdom, France, and Germany; candles by the United Kingdom, Belgium, and France; beverages by France, Spain, and Germany; tobacco by France, the United Kingdom, and Germany.

DIRECT IMPORTS FROM THE UNITED STATES.

The United States supplied directly no part of the imports of these articles during 1907 or 1908, but during both years led all countries in the value of kerosene oil and of wood in the form of boards and timber supplied to Morocco, and in 1908 was second in the amount of raw cotton sent there directly. Doubtless the United Kingdom, which supplied the largest amount of any one country, derived a part of this from the United States.

The direct imports of kerosene oil from the United States amounted in 1907 to \$17,300 and in 1908 rose to \$24,285. The countries supplying the next largest amounts were Spain and the United Kingdom, and it is reasonable to suppose that a part of what they shipped was of American origin. The same would doubtless apply to imports of flour in 1908, France having supplied by far the greatest amount, the United Kingdom coming second, Belgium third, Germany fourth, and the United States fifth with \$4,561 worth in 1908, against \$1,634 worth in 1907.

The direct imports of wood from the United States in the form of lumber and timber amounted in 1907 to \$4,932 and in 1908 to \$14,610. There were no imports of coffee direct from the United States in 1907, but in 1908 such imports were recorded to the value of \$2,983.

MOROCCAN EXPORTS.

The value of the chief articles of export from Morocco during 1907 and 1908 is shown in the following table:

Articles.	1907.	1908.	Articles.	1907.	1908.
Almonds.....	\$386,000	\$474,449	Hides and skins:		
Beans.....	103,955	293,733	Goatskins.....	\$724,587	\$684,298
Beeswax, crude.....	147,984	126,789	Ox hides.....	136,433	104,924
Bones.....		27,574	Sheepskins.....	320,841	143,265
Breadstuffs:			Intestines.....		28,253
Barley.....	940,054	2,075,048	Oil, olive.....		242,957
Corn.....	25,359	121,147	Poultry.....	9,707	14,272
Wheat.....	85,732	773,432	Roses.....	6,843	1,176
Canary grass.....	144,255	55,267	Seeds:		
Cattle.....	547,428	443,049	Aniseed, wild.....	64,775	1,778
Chick-peas.....	87,196	147,122	Coriander.....		23,922
Djellaba and haiks (native garments).....	29,085	29,671	Fenugreek.....	59,066	76,708
Eggs.....	484,850	799,041	Linseed.....	86,326	96,998
Fish, canned.....	9,708	49,545	Turkish slippers.....	150,993	148,506
Ghassoul (saponaceous earth).....	14,324	15,301	Wool:		
Gums and resins.....	126,545	123,735	Unwashed.....	425,652	115,183
Hair, animal.....	13,930	24,979	Washed.....	111,129	40,334

Of the six leading articles of export, barley was shipped chiefly to the United Kingdom, Germany, and France; eggs to the United Kingdom and Spain; wheat to France, Germany, and Italy; goat-skins to France, the United Kingdom, Germany, and the United States; almonds to the United Kingdom, Germany, and France; cattle to the United Kingdom, France, and Spain.

The largest direct purchases by the United States in 1908 were goatskins to the value of \$18,660, against \$841 in 1907; flaxseed, \$3,796, against none in 1907; wild aniseed, fenugreek, and coriander, \$2,264, against none in 1907. No wool was taken direct in 1908, while in 1907 exports of unwashed wool were valued at \$2,264.

DECLARED EXPORTS.

There was a marked decrease in the declared value of exports to the United States, which amounted to \$442,936 in 1907. In the following table the declared exports from Tangier to the United States are shown for the calendar year 1908; those from Mogador were forwarded by Consular Agent George Broome, and are for the fiscal year ended June 30, 1908; and those from Casablanca, supplied by Consular Agent Conrad H. Toel, are for the calendar year 1908. The details are as follows:

Articles.	Value.	Articles.	Value.
TANGIER.		CASABLANCA.	
Goatskins.....	\$5,385	Goatskins.....	\$31,262
Sardines in oil.....	4,170	Seeds:	
Works of art.....	990	Canary.....	1,909
Total.....	10,545	Coriander.....	7,140
		Fenugreek.....	6,512
MOGADOR.		Total.....	47,134
Goatskins.....	126,435		
Gum sandarac.....	5,563		
Olive oil.....	3,368		
Total.....	135,366		

GENERAL FEATURES OF AMERICAN TRADE.

A careful examination of the conditions causing the falling off in trade has failed as yet to bring forth anything calling for serious remark, or that would lead to the conclusion that the decrease is owing to more than a temporary lull in the demand from the United States for Moroccan goatskins. It has been reported here that numerous dealers in the United States have large supplies of goatskins on hand and have temporarily ceased ordering from Morocco, preferring to import, when necessary, more expensive skins from Marseilles and other European ports, where it is possible to obtain more evenly assorted and better prepared skins than in Morocco. However this may be, the attention of importers in the United States is called to the fact that goatskins from Morocco are very highly thought of in Europe, and it would seem that direct importation of this article would be the most advantageous method of carrying on the trade.

American interests in Morocco could not be said to be great at the close of 1907, which showed the least trade between Morocco and the United States for several decades. Goatskins, hitherto the chief export to the United States, had fallen from over \$50,000 per quarter for the last quarter of 1906 and first two quarters of 1907, to nothing. A remarkable difference is noticeable in the figures for 1907, when it is considered that the Casablanca incident occurred in the September quarter. The figures are as follows for the quarters ending with the

months named: March, \$56,852; June, \$54,600; September, \$10,746; December, \$227.

Inquiries among former exporters of goatskins to the United States develop the statement that the American market is dull, and that there is a general tendency to ship the skins to the United States through French and German houses.

A new export to the United States is sardines in oil, prepared by the new French company in Tangier, shipments to the value of \$4,170 having been sent to the United States during the last quarter of 1908.

The Vacuum Oil Company continues to be the largest American importer in Morocco, having a well-developed and excellently organized business system, supplying the entire country with petroleum. The success of this company speaks well for the possibilities awaiting other American efforts when conducted in the proper manner.

Large quantities of American products reach Morocco through Continental and British jobbers, via Gibraltar. Especially is this true of Chicago meat products, notably lard. Tinned meats from Chicago are consumed to a limited extent here. The chief bar to the general importation of American goods, whose values are not by any means unknown to Moroccan merchants, lies in the difficulties and expense of transportation. Invoices brought direct from the United States have proven to have given less profit to the retailer and jobber, after payment of increased transportation expenses, than slightly higher-priced goods from England or Continental points. The existence of a number of American windmills in Tangier and the coast towns results in an occasional order for similar machinery.

AMERICAN OPPORTUNITIES.

As has been so often pointed out, Morocco offers a good field for American products and for investment of American capital. Silk-raising might be carried on in almost any part of the country, and land and labor for such a purpose are extremely cheap. Cotton raising in the southern portion of the country offers possibilities. Farming on a large scale with up-to-date agricultural machinery would offer profits which, considering what is done by means of a wooden plow at the present time, might satisfy even the most optimistic. Mining concessions and like bonanzas would seem to belong to the far-distant future, especially as regards the possibilities of utilizing such concessions were they to be obtained. The introduction of American cottons into Morocco offers perhaps the best commercial opportunity at the present time, and there would seem to be little doubt that the presence of an active agent of some leading cotton manufacturers of the United States, backed by an endeavor of the manufacturers to provide exactly what is desired by the natives, would result in the United States securing a fair proportion of the annual trade of over \$4,000,000 in cotton goods. As already indicated, the concession granted to each of the powers for the establishment of a shop for the sale of nonrifled sporting guns, ammunition, and supplies might offer a profitable business for some enterprising American.

Even under existing conditions much may be done by the person who studies the country and its people, endeavors to supply their wants, and succeeds in not violating the prejudices and beliefs which often are the stepping stones to commercial success.

TRADE OF ARZILA AND LARAICHE.

Arzila is a small fortified town on the western coast about 40 miles below Tangier. Although on the coast it is not a port of call for any of the vessels which make the Moroccan ports, there being no harbor facilities. It has a population of about 1,000, half of whom are Moors and the other half Jews. There are no European residents.

Tangier supplies to Arzila all of its imported goods, which consist principally of Manchester cotton goods, English tea and candles, and French sugar. These are transported to Arzila in small quantities by mules and donkeys. There are but few native shops in the town, and, of course, absolutely no others. These, like all Moorish shops, are tiny places where the proprietor may sit in the doorway and reach everything in the place, and probably there are not more than a score of them in the town.

Some American petroleum is consumed in Arzila, being brought from Tangier.

Laraiche is a port town of 15,000 people, situated about 75 miles down the coast from Tangier. The population consists of about 13,000 Moors, 1,800 Jews, and 200 Europeans. The latter class has naturally given a touch of European civilization to the town, and the people have become familiar with European goods.

The only American product consumed there is petroleum, of which some 4,000 cases are imported annually. A portion of this oil goes to El Ksar and Fez. The American company has a large storeroom and office at Laraiche in charge of an English-speaking Spaniard, and carries a good assortment of lamps, which are sold very cheaply in order to induce the people to try the oil instead of the customary candles. The sales are increasing constantly as the people come to realize the cheapness and efficiency of the new light. Many lamps costing one to three pesetas Hassani (13 to 40 cents) are sold in the course of a year.

While hitherto French sugar has had an almost complete monopoly in Laraiche, German sugar is now coming to the front.

Following are the latest available figures for the annual imports and exports of Laraiche:

Articles.	Value.	Articles.	Value.
IMPORTS.		IMPORTS—continued.	
Bags.....	\$34,600	Potash.....	\$5,000
Bedsteads.....	400	Silk.....	4,080
Biscuits.....	2,970	Soap.....	2,880
Brass ware and copper.....	1,205	Spices.....	20,770
Buckets and kettles.....	3,000	Spirits.....	5,815
Building material.....	2,910	Sugar.....	312,035
Candles.....	41,310	Tea.....	38,240
Chemicals and drugs.....	3,510	Tin plate.....	1,235
China and earthenware.....	17,520	Woolen cloth.....	1,990
Coffee.....	5,370		
Confectionery and provisions.....	3,000	EXPORTS.	
Cotton, raw.....	2,070		
Cotton manufactures.....	734,175	Barley.....	56,455
Dates.....	805	Beans.....	105,255
Electroplated goods.....	980	Beeswax.....	11,220
Flour and semolina.....	13,695	Birdseed.....	14,825
Furniture.....	1,100	Dates.....	14,180
Glassware.....	3,590	Eggs.....	62,275
Iron, bars, etc.....	13,335	Goatskins.....	77,900
Lamps.....	3,210	Hides.....	31,905
Matches.....	5,250	Sheepskins.....	109,265
Nails.....	5,500	Slippers, Moorish.....	192,800
Paper.....	1,990	Wheat.....	30,015
Petroleum.....	3,655	Wool, unwashed.....	83,475

AL KSAR EL KBIR.

Al Ksar el Kbir is an interior town of about 6,000 people, situated about 25 miles from Laraiche and 100 miles from Tangier. Being located upon the main road between Tangier and Fez, it has some importance as a distributing point. Its population consists of 5,000 Moors, 1,000 Jews, and perhaps 20 Europeans. Its imports, as those of Arzila, are chiefly cotton goods, sugar, tea, and candles.

In Al Ksar, Laraiche, and Arzila, there would be a demand for such American goods as would sell in Tangier, in proportion to the size of the towns. It was a surprise to find fly screens in one Moorish house in Al Ksar. They were the first the writer had seen in Morocco, and it was later learned that they were secured by an American protégé. A cheap grade of screen should sell in large quantities throughout the country, as flies are one of the great annoyances of all foreigners and many Moors.

PORTUGUESE EAST AFRICA.

REVIEW OF TRADE CONDITIONS.

By CONSUL W. STANLEY HOLLIS, LOURENÇO MARQUEZ.

The Portuguese Province of Mozambique comprises all of East Africa lying between the German possessions on the north, the British colonies on the west and south, the Mozambique channel on the east, and the Indian Ocean on the southeast, and has an area of 434,270 square miles. The entire Province is comprised within the jurisdiction of the consulate at Lourenço Marquez.

For administrative purposes the Province of Mozambique is divided into 7 districts, called Cabo Delgado (or Ibo), Mozambique, Quelimane, Tete, Manica and Sofala (the territories of the Mozambique Company), Inhambane, and Lourenço Marquez.

The following table gives the total value of the foreign trade of the Province of Mozambique and also the total value of the foreign trade exclusive of coastwise, by districts, for 1907 and 1908:

District.	Foreign trade exclusive of coastwise.		Total foreign trade.	
	1907.	1908.	1907.	1908.
Lourenço Marquez.....	\$29,242,845	\$33,344,752	\$31,530,740	\$34,535,571
Inhambane.....	671,386	484,305	1,144,224	1,401,958
Chinde and Quelimane.....	2,285,038	2,846,509	2,509,839	3,334,442
Beira.....	6,081,045	7,726,388	8,736,908	11,486,879
Cabo Delgado, or Ibo.....	868,391	778,896	849,142	778,896
Mozambique.....	1,380,064	1,066,898	1,478,682	1,294,392
Total.....	40,528,769	46,247,748	46,249,435	52,922,138

* Bunker coal and ships' stores valued at \$345,120 and gold and silver coin valued at \$2,679,669 not included.

CABO DELGADO, OR IBO, DISTRICT.

The most northern district is that of Cabo Delgado, which is generally called the Ibo district because Ibo was for years its only port of entry. The district is administered by a Portuguese chartered company called the Nyassa Company, under a Portuguese army officer as governor, its seat of government being located at Porto Amelia, south of Ibo. Its principal imports are cotton goods and preserved provisions and food stuffs, and its exports, rubber, dried fish, wax, calumba root, peanuts, and ivory. As there is no direct means of communication between Ibo and the United States all trade in this line is indirect and with transshipment at other ports, principally those of German East Africa and of Zanzibar, to the north.

The foreign trade of the district for 1908, exclusive of coastwise trade, amounted to \$778,896 as compared with \$868,391 for 1907. The imports for 1908 amounted to \$376,372, exports \$361,197, reexports \$40,973, and in transit \$354; the imports for 1907 amounted to \$356,013, exports \$503,695, reexports \$8,354, and in transit \$329. The number of vessels entered and cleared during the past year was 114 steamers and 27 sailing vessels.

The district has a large native and Indian population. The white population according to the last census for the district was but 342. These white people are mostly Portuguese officials and foreigners who are agents for European mercantile and shipping houses, together with a few Portuguese traders.

DISTRICT OF MOZAMBIQUE.

Lying just south of the district of Cabo Delgado is the district of Mozambique, which must not be confused with the Province of Mozambique, of which it forms only a part, with the town of Mozambique as its capital, where the affairs of the district are administered by a governor appointed by the Portuguese Crown.

The principal imports of this district are cotton goods, amounting to about \$300,000 worth per annum, rice, butter, and other foodstuffs. The principal exports are rubber, valued at about \$200,000 annually (practically all of which goes to Hamburg), mangrove bark, peanuts, and other oilseeds.

Between \$65,000 and \$70,000 worth of mangrove bark has been shipped each year during the past three years according to the invoices certified in this consulate from the Mozambique and Cabo Delgado districts to the United States, these shipments having been made by small sailing vessels; and in addition to these a large shipment was made by steamer from Mozambique to New York in 1907, the invoices covering which were not sent to this consulate for certification. All sales of mangrove bark from this coast are made through brokers in Hamburg.

The export trade in peanuts appears to be falling off when compared with that for past years, but it is expected to revive, especially after the projected railway from the coast into the interior of the Mozambique district has been completed. Transportation at present is expensive and primitive, being solely by native porters, as there are no systems of animal transportation in the whole district.

This projected railway will start from the town of Muchelia on the western shore of Mocambo Bay, some 25 miles south of the port of Mozambique, and will run into the interior in a westerly direction, thereby opening up a region that can produce a large quantity of rubber, oilseeds, and hard woods, and that can use large quantities of cotton goods.

The grading for this railway has been completed for over 30 miles, but the rails and other equipment have not yet been purchased. When work once starts on this railway a considerable town is bound to spring up at Muchelia, and this will develop into an important port, as Mocambo Bay is one of the finest and safest natural harbors on this coast, with deep water at its entrance and close up to its shores inside. The total trade of the Mozambique district during the past year, exclusive of coastwise trade, amounted to \$1,066,898, as compared with \$1,380,064 for 1907. The total value of imports for 1908 was \$605,865, exports \$425,020, reexports \$36,013, and for 1907 the value of imports was \$794,755, exports \$577,136, and reexports \$8,173.

According to the local manuscript customs statistics the American trade at Mozambique during 1908 amounted to \$48,271—imports \$4,161, and exports \$44,110—but these figures do not show the total value of the imports of all goods of American origin as many such goods are imported by way of intermediate ports in Europe and elsewhere and are credited to the countries in which the ports of transshipment are located. There is no direct means of communication between the United States and the Mozambique district, and not a single American merchant vessel has entered the port for over 20 years.

One hundred miles south of the port of Mozambique is situated the small port of Antonio Ennes, where the trade is principally in the hands of the Indian merchants. There is much confusion over the proper name of this port, which has been called at different times Angoche and Parapat. Its trade returns are included with those of the district of Mozambique, of which it forms a part.

QUELIMANE AND CHINDE.

South of Antonio Ennes and situated in the northeastern angle of the delta of the Zambezi is the port of Quelimane. The value of the foreign trade, exclusive of coastwise trade, was \$525,175 for 1908, against \$482,754 for 1907. The total value of imports for 1908 was \$309,247, exports \$210,963, and reexports \$4,965; and for 1907 the imports amounted to \$291,834, exports \$189,958, and reexports \$962. The principal articles of export are copra, rubber, peanuts, and oilseeds.

The imports into Quelimane consist principally of cotton goods to the value of about \$100,000 per annum; manufactures of iron and steel, \$80,000; wines, butter, and lard, \$25,000 each; groceries and provisions, \$15,000, and manufactured tobacco, \$15,000.

The manuscript customs statistics for 1908 show that Quelimane imported American goods valued at \$1,044, and exported none to the United States; but as all goods imported into Quelimane from the United States and exported thereto from that port must be shipped by way of some intermediate port these figures do not show the true value.

Chinde is at present the principal port of entry for Zambezia as well as for British Nyassaland and Northeastern Rhodesia, and its foreign trade, exclusive of coastwise trade, for 1908 amounted to \$2,321,334 as compared with \$1,802,284 in 1907. The manuscript customs records show that during 1908 its trade with the United States was valued at \$16,255, of which \$12,854 represented imports for local consumption and \$3,401 goods in transit to interior points. The total value of imports for 1908 was \$456,920, exports \$529,866, reexports \$957,587, and in transit \$376,961; and for 1907 the value of the imports was \$546,109, exports \$185,837, reexports \$673,977, and in transit \$396,361.

The principal imports at Chinde for local consumption consist of cotton goods, valued at about \$175,000 annually; groceries and provisions, \$70,000; wines, \$50,000; agricultural and other machinery, \$50,000; manufactures of iron and steel, \$25,000; river boats, \$25,000; beer and distilled liquors, \$10,000; tobacco, \$8,000; and soap, \$6,000. Its exports consist of sugar, valued at about \$100,000 annually; peanuts and other oilseeds, \$30,000; wax, \$15,000; cattle, \$12,000; salt, \$10,000; ivory, \$6,000; and rubber, \$3,000. The transit trade through Chinde consists in handling the imports into and exports from British Nyassaland.

AGRICULTURE—PORT IMPROVEMENTS.

Had it not been for the fact that the locusts have during the past few years done a great deal of damage to the cocoanut plantations in the Zambezi delta, there would have been a large export trade in copra from that region at the present time.

Since the establishment of a department of agriculture for the province of Mozambique some very efficient work has been done in exterminating locusts, and the governor of Quelimane recently stated that during the past year it resulted in a saving to the agriculturists of Zambezia, principally the growers of sugar cane and cocoanuts, of over \$1,250,000. The method employed to destroy locusts consists principally in poisoning them while still in the grasshopper stage by spraying whatever a swarm may be feeding upon with a solution of arseniate of soda. A great deal of capital has been invested in the growing of cotton and of agave plants for fiber, but these industries are not yet in the productive stage.

The port of Quelimane, which with a little dredging at the mouth of the river can be made accessible to vessels of large tonnage and of deep draft, is not in direct water communication with the Zambezi River, although in years gone by there was a small navigable channel between that river and the port of Quelimane. As the port of Chinde can never be made accessible to deep vessels, the local government has decided to put Quelimane into direct water communication with the Zambezi by dredging one of the old channels which is now filled up with mud and silt.

Reports have been current that work was about to be started upon a railway between Quelimane and Nyassaland, the construction of which was authorized by a decree by the Lisbon Government some fifteen years ago; but so far nothing has been done toward its construction beyond the tentative tracing of two routes.

DISTRICT OF BEIRA.

The port of Beira lies about 150 miles southwestward of Chinde, at the mouth of the Pungwe River, and is the port of entry for the districts of Manica and Sofala, which constitute the territories of the Mozambique Company, as well as for a great part of Rhodesia, up to the frontier of the Kongo State.

The main trunk line of the South African Railway system runs from Cape Town, by way of Kimberley, Buluwayo, and Victoria Falls, nearly to the Katanga mining region. Starting from Buluwayo a branch line runs through Salisbury, in Rhodesia, to the port of Beira, and at present communications between Beira and the Victoria Falls and northward must be by way of Salisbury and Buluwayo, a long detour. To obviate this long haul, the chartered company is about to construct a railway running almost direct between Salisbury and a station on the trunk line, situated a little to the south of the Victoria Falls.

When this line is completed, Beira will be in direct communication by means of the shortest railway line that could possibly be constructed between these two points with the western part of the Kongo State and with the highly mineralized districts lying therein, as well as in the northwestern part of Northwestern Rhodesia, and a large export trade in base metals may be expected to develop through the port of Beira.

Already considerable shipments of chrome ore have been made to the United States and England from this port.

In central Rhodesia as well as in the Tete district of Zambezia it has been pretty well determined that on account of the known gold deposits being patchy and not well distributed over large areas, mining there can be carried on best by means of small plants. Small mills of 5 and 10 stamps, when under the ownership and management of men who thoroughly know their business and are not afraid of hard work, can be depended upon to give a good profit to their owners.

The central Rhodesian gold fields extend into the Manica district of this province, back of the port of Beira, and considerable mining development has been in progress there. All this mining development in the hinterland, not to mention the development of agricultural industries, means increased commerce.

FOREIGN TRADE—SHIPPING.

The total value of foreign trade of Beira, exclusive of coastwise trade, for 1908 was \$7,726,388, against \$6,081,045 for 1907. The total value of imports for 1908 was \$1,739,989, exports \$1,486,803, reexports \$1,236,580, and in transit \$3,263,016; and for 1907 the imports were valued at \$1,335,970, exports \$621,351, reexports \$1,189,075, and in transit \$2,934,649.

Although the port of Beira is less than 20 years old, and its commercial importance dates back a bare 18 years, its total trade for the past year was almost as great as that of Lourenco Marquez for 1896, which then amounted to \$10,500,000, and Lourenco Marquez at that date had been in possession of a good hinterland trade for over 10 years, during 7 of which it had been in rail communication with the Transvaal. The trade of Lourenco Marquez has trebled in the past

12 years, and it can confidently be expected that the trade of Beira will increase in a ratio as great as, if not greater than, that of Lourenco Marquez.

The exports from Beira consist principally of tropical products and of minerals, the principal articles exported being sugar, rubber, raw gold, peanuts, wax, ivory, and oilseeds.

There is not even one American firm or even one American business man established in Beira.

During 1908, 379 merchant vessels of 594,831 tons entered the port of Beira and there discharged 77,402 tons of cargo; and the same number of vessels departed from Beira after taking on board 46,837 tons of cargo, as compared with 36,800 tons loaded during 1907; the nationality of the vessels entering and clearing was Portuguese, British, and German, with 110, 131, and 133 vessels, respectively.

PORT OF INHAMBANE.

The port of Inhambane lies almost midway between Beira and Lourenco Marquez, being about 250 miles from the first-named port, and about 200 miles from Lourenco Marquez. It is the only port of entry to the Inhambane district, which is a very fertile tract of country with many agricultural possibilities.

The total value of imports into this port for 1908 was \$346,841, exports \$134,586, and reexports \$2,878; and for 1907 the imports were valued at \$430,381, exports \$240,039 and reexports \$966. The principal article of import was cotton goods valued at \$166,174, principally from the United Kingdom, Portugal, and Germany, and with less than \$200 worth from the United States; wines, \$70,601, practically all from Portugal; manufactures of metals, \$24,876, principally from the United Kingdom, France, Germany, Belgium, and Netherlands, and with a little over \$200 worth declared as coming from the United States; butter and lard, \$22,731, principally from Europe and British possessions, and with but \$41 worth credited to the United States; groceries and provisions, \$17,079, principally from the United Kingdom and colonies and Portugal, the United States being credited with a little over \$1,000 worth; manufactured tobacco, \$12,140, almost all of which came from Portugal; bags and bagging, \$11,422, mostly from the United Kingdom and India; and Kafir hoes, \$8,090, mostly from Portugal.

The indirect trade of the United States with Inhambane is greater than shown by the statistics. A considerable quantity of valuable products are exported from this district, such as rubber, sugar, peanuts, mafureira, an oilseed from which an excellent oil resembling olive oil is extracted, copra, and wax.

Nothing has yet been done toward the construction of the projected railway in the Inhambane district except some surveying and leveling, as the Government has not yet raised the necessary funds for the purchase of rails and equipment. For some years a syndicate has been conducting boring operations in the Inhambane district in the hope of finding petroleum, but although a number of deep wells have been bored at an expense of many thousands of dollars, so far only the slightest indications of the presence of mineral oil have been found.

The emigration of Inhambane natives to the Transvaal to work in the gold mines of that country continues unabated, tens of thousands going each year. They are induced to enlist for this work by the representations of runners called labor recruiters, who overrun the country. This has a serious effect upon the industrial situation in Inhambane, as the natives are offered higher wages by the recruiters than the Inhambane agriculturists can afford to pay. This emigration can not be stopped; as a matter of fact the recently concluded convention between the Transvaal and the Province of Mozambique provides, among other things, that this emigration shall be as free as possible and that it shall be allowed to go on for another 10 years.

The total number of vessels entered and cleared at the port of Inhambane during 1908 was 141, with a tonnage of 184,415. They discharged 4,808 tons of cargo and shipped 3,280 tons.

LIMPOPO VALLEY.

Lying between Inhambane and Lourenco Marquez is the rich Limpopo Valley, in which there has not been very much development during the past year. Some of the agriculturists were hampered by lack of funds, others by radical defects in their methods of cultivating their estates as pointed out to them by the newly created department of agriculture, and all have suffered losses of live stock through disease. Transportation difficulties also helped to hinder development, but the department of agriculture is trying to either check, control, or stamp out the diseases among the draft and other animals, and the public works department is about to lay down a line of narrow-gauge tramway 2 feet wide, which, starting from Chai Chai at the head of fairly deep water navigation on the Limpopo River, will run up the valley for a distance of about 12 miles and will be carried still farther in the near future. As Chai Chai, the only port of this particular section of the country, lies within the Lourenco Marquez district, its trade returns are included with those of the latter.

LOURENCO MARQUEZ.

The trade of Lourenco Marquez during 1908 greatly exceeded the combined trade of all the other ports in the Province of Mozambique, as well as its own trade for 1907, having amounted to \$34,880,691, which includes bunker coal valued at \$345,120. To this figure there should be added the further sum of \$2,679,669, the value of gold and silver coin exported during the year, thus making the total trade \$37,560,360.

The foreign trade of the port for 1908 exclusive of coastwise trade, amounted to \$33,344,752, against \$29,242,845 for 1907. The imports for 1908 were valued at \$4,348,969, exports \$2,916,704, reexports \$4,221,008, and in transit to Transvaal \$21,858,071; and the imports for 1907 were valued at \$4,091,531, exports \$2,825,920, reexports \$2,312,190, and in transit to the Transvaal \$20,013,204.

In the over-sea commerce of this port the United Kingdom and possessions lead, being credited with imports and exports valued at \$17,207,932; Germany follows with \$5,033,563, and the United States is third with \$2,602,139. In imports for local consumption at Lourenco Marquez, the United Kingdom and possessions lead with

the sum of \$1,209,783, and are followed by Portugal with \$1,186,165 and the United States with \$155,220.

The relatively large amount of business done by the United Kingdom, Germany, and Portugal can only be attributed to the facts that there are regular and frequent direct sailings of passenger and mail steamers between Lourenco Marquez and the principal ports of the countries mentioned, and that there are many Germans, Portuguese, and British engaged in business here. On the other hand, there is not at the present time even one American who is engaged in business for himself in this port, nor is there a single firm here that confines itself solely to the handling of American goods.

CHARACTER AND VALUE OF IMPORTS.

The principal imports for local consumption during 1908 were as follows: Cotton goods valued at \$1,056,133, the share of the United States being only \$260; wine, \$664,579, a trade reserved by law to the wine exporters of Portugal in order to give them market for their surplus wine; rice, \$121,029, India supplying nearly all; wheat flour, \$118,593, the British colonies, principally Australia, on account of lower freight rate, furnishing \$65,579 and the United States \$52,047; manufactures of iron and other metals, \$105,923, the United Kingdom furnishing \$40,027 worth, Germany \$35,219, and the United States \$4,952; sardines, \$55,501, Portugal supplying nearly all; boots and shoes, \$53,738, mostly from Portugal; live oxen, \$52,743, practically all coming from Madagascar; cement, \$52,196, Germany furnishing \$30,632 and the United States but \$21.

The imports of meats, preserved in barrels and in tins, were valued at \$51,824, Portugal supplying salt meat valued at \$13,953 and tinned meat valued at \$17,546, and the United States supplying \$2 worth of salt meat and \$8,464 of tinned meat. Wood and manufactures thereof were imported to the value of \$50,786, Sweden supplying \$24,097 and the United States \$17,219; butter, \$49,889, from Australia and Portugal; corn, \$49,435, almost all from the Transvaal; distilled liquors, \$45,514, from the United Kingdom and Portugal; olive and other food oils, \$41,699, Portugal leading with \$30,635, and the United States \$877; boats, \$41,420, practically all being credited to the United Kingdom, but it is known at this consulate that two American motor boats were landed at this port during the past year; fermented liquors, \$40,731, practically all from Germany; hardware, instruments, and tools, \$50,580, the share of the United States being \$2,045, Germany \$14,902, and the United Kingdom \$17,147; soap, \$33,084, practically all coming from Portugal; coal, \$30,640, the Transvaal importing all the coal, also the bunker coal for supplying vessels calling at this port, the value of which is not included in the above item; mineral water, \$29,243, Germany leading with \$14,255, followed by the United Kingdom with \$7,830; potatoes, \$26,018, almost all coming from the Transvaal.

The imports in transit to the Transvaal were valued at \$21,858,071, consisting chiefly of timber, mining and industrial machinery, railway material and other manufactured ironwork, agricultural implements and machines, canned provisions, flour, petroleum products, and chemicals. The share of the United States in this trade was valued at \$2,398,555.

IMPORTS FROM THE UNITED STATES.

The total value of imports from the United States into Lourenco Marquez for local consumption during 1908 was \$155,220, of which \$14,151 represented imports by the local government. The value of the principal articles was as follows:

Articles.	Value.	Articles.	Value.
Boots and shoes.....	\$324	Paints.....	\$446
Canned goods.....	3,756	Paper.....	470
Canvas and tarpaulin.....	1,422	Plants.....	415
Chemicals.....	198	Railway material.....	217
Electric-light materials.....	195	Turpentine.....	1,824
Flour, wheat.....	52,047	Wheat.....	229
Fruit:		Wire netting.....	1,007
Dried.....	392	Wood, and manufactures of:	
Preserved.....	759	Furniture.....	4,891
Glass.....	840	Timber.....	8,857
Gums.....	185	All other.....	3,471
Iron and steel, and manufactures of.....	8,277	All other articles.....	36,680
Meat, in tins.....	8,464		
Oils:		Total.....	155,220
Kerosene.....	18,046		
Lubricating.....	6,550		
All other.....	3,722		

As all railway and harbor works are under the control of the Government, it necessarily becomes a large importer of railway supplies and structural material, its importations for the past year in all lines having been valued at \$430,207, of which the share of the United States amounted to \$14,151. The Government's importations from the United States last year consisted principally of agricultural machinery and of nearly 100 miles of patent woven-wire fencing.

The Government at present is negotiating with American manufacturers with the view of purchasing a floating dry dock, locomotives, coal-handling machinery, and dredgers. This consulate has been from time to time instrumental in putting the Government into communication with American manufacturers, but what these manufacturers need and should have is an American agent resident here, with full powers to submit tenders and to sign contracts, and, when necessary, give the necessary financial guarantees that the contracts that may be secured will be faithfully executed. Such an American agent, if supported by 10 to 50 American firms whose goods do not compete with one another, could work up a very good trade here and would materially help to increase the imports of American goods at this port.

IMPORTS AND EXPORTS BY COUNTRIES.

The following statement shows the imports entered at Lourenco Marquez for local consumption and in transit for the Transvaal, by countries, in 1908:

Country.	Entered for local consumption.	In transit to the Transvaal.	Imports declared for re-export by countries of origin.	Total imports through the port.
United States.....	\$155,220	\$2,396,558	\$40,359	\$2,594,137
Belgium.....	93,028	560,636	364	654,028
Germany.....	396,544	4,536,745	24,392	4,957,681
Great Britain and possessions.....	1,209,783	12,893,872	91,693	14,195,348
Portugal.....	1,186,165	17,506	8,728	1,207,399
Transvaal.....	428,476		4,046,488	4,474,964
All other countries.....	879,753	1,450,754	13,984	2,344,491
Total.....	4,348,969	21,858,071	4,221,008	30,428,048

The following statement shows the exports of local products and the reexports, by countries, from Lourenco Marquez in 1908:

Destination.	Local exports.	Reexports.	Total.
United States	\$3,803	\$4,199	\$8,002
Belgium	108	644,850	644,958
Germany	4,831	71,051	75,882
Great Britain and possessions	14,559	2,998,025	3,012,584
Portugal	37,548	8,604	46,152
Transvaal	157,294	4,203	161,497
All other countries	18,892	490,076	508,968
Total	237,035	4,221,008	4,458,043

The total value of exports from Lourenco Marquez during 1908 was \$2,916,704, of which \$2,655,558 was gold specie and \$18,603 silver specie for the Transvaal and \$5,508 gold specie for other countries. The principal articles of merchandise exported were: Kaffir beans, \$55,939, practically all to the Transvaal; iron and steel and manufactures of, \$22,561, nearly all to the Transvaal; leather, \$15,601, of which \$14,680 is credited to Portugal; peanuts, \$27,593, practically all for the Transvaal; staves and shooks, \$27,205, of which \$18,252 is credited to Portugal and \$8,953 to other countries.

During 1908, 569 vessels of 1,616,045 tons entered and cleared this port, entering with 327,758 tons of cargo and clearing with 38,858 tons of cargo and 87,637 tons of bunker coal. The number of vessels representing the following countries were as follows: United Kingdom 260; Portugal, 207; Germany, 70; and other countries, 32.

The bunker coal trade of this port is steadily increasing, and it is estimated that its trade in this line during the present year will amount to between 250,000 and 300,000 tons, as 1,000 tons a day can easily be supplied at an average price of three shillings (73 cents) less than is charged for no better coal at the nearest adjacent port. None of the vessels calling at this port during 1908 was American, although 25 foreign vessels bringing 39,669 tons of American goods as cargo from various American ports, but principally from New York, entered this port and discharged their cargoes during the year.

The exports of Lourenco Marquez products are principally to the Transvaal and to the adjacent British colonies; but the exports from the Transvaal, by way of Lourenco Marquez to over-sea ports consist mostly of base metals and minerals, such as coal, valued at \$403,209; asbestos, \$40,095; raw gold, \$524,246; lead, \$81,181; tin, \$2,120,374; zinc, \$11,421; and other products, including corn, \$47,343. None of these valuable products has been declared for export to the United States.

DEPARTMENT OF AGRICULTURE—HARBOR WORKS.

Two years ago the Province of Mozambique was given a limited measure of self-government under a governor-general, and a government council the members of which were partly appointed by the Crown, and partly elected by the taxpayers of the Province of Mozambique.

One of the first acts of this new government was to pass the necessary laws establishing a department of agriculture for this Province.

An experienced American scientific agriculturist was named as director of agriculture and chief of the department, and he entered upon the duties of his office a little over a year ago. During the short time he has held office he has organized his department and accomplished a vast amount of important work, the results of which will be plainly evident in the future.

Under his direction the work of locust extermination has been successfully carried on in Zambezia and in the Lourenco Marquez district, while in these and in other parts of the country much valuable work in connection with the diseases of live stock has been done by the veterinarians under his direction.

The department of public works has been greatly strengthened under the new government, with one of the most eminent Portuguese engineers as its chief. During the past year this department purchased in Durban a large bucket dredge that had been used successfully there for a few years and employed it to dredge out the small mud bank in the Polana channel at the entrance of the harbor of Lourenco Marquez. It is intended to continue dredging until a channel 30 feet deep has been obtained between the inner harbor and the deep water in the seaward part of Lourenco Marquez Bay.

In the inner harbor there has been little done during the past year toward wharf extension, principally because of lack of funds; but this latter difficulty seems to have been provided for in one of the articles of the convention recently concluded between Mozambique and the Transvaal, and the plans for a further extension of the main wharf are now completed and work upon this will soon begin. This extension will be built of solid concrete, with foundations laid by means of cofferdams of steel sheet piling, for which the director of public works is in treaty with the Transvaal representatives of an American firm making a specialty of supplying such steel sheet piling. The extension of the wharf will be about 540 yards in length. In addition to this machinery the government will require perhaps a dozen electric cranes, with a capacity of 5 to 20 tons, and one with a capacity of 50 to 100 tons.

SWAZILAND RAILWAY—TRADE OPPORTUNITIES.

In the articles of the new convention between Mozambique and the Transvaal, which was signed on April 1, 1909, there is no mention of any provision for the extension of the Swaziland Railway, the Portuguese section of which is now practically completed. Although another article of the convention limits the amount of traffic that the Lourenco Marquez Railway may handle destined for the Johannesburg mining area to between 50 per cent and 55 per cent, another clause will have the effect of sending practically all of the rapidly growing export trade of the Transvaal in metals and in corn, wool, and skins through the port of Lourenco Marquez.

The Transvaal government is also pledged to further railway construction in its own country that will tend to develop more traffic to feed the Lourenco Marquez Railway line. When the union of British South Africa has been accomplished with Swaziland, now under imperial jurisdiction, incorporated therein, the completion of the remaining section of the Swaziland Railway line, which is the missing link in the chain of railway communications that will put Johannesburg within ten or eleven hours of the coast, is very likely to engage the early attention of the United South African government.

A country such as the Province of Mozambique which already possesses a trade valued at over \$55,000,000 per annum, a trade that is increasing at such a rate that it has doubled in the past seven years, is worthy of careful study and consideration by all American business men who are interested in the import or export trade with southern Africa, as the mineral and agricultural possibilities of this province are enormous and need only encouragement, enterprise, and capital to develop them and to build up a lucrative export trade, and an increased import trade will follow as a natural consequence.

The total value of declared exports from the Province of Mozambique during 1908 was \$76,344, against \$95,511 for 1907, the articles being mangrove bark, valued at \$67,565; household goods and effects, \$100; and returned American goods, \$8,679.

TRIPOLI-IN-BARBARY.

REVIEW OF TRADE CONDITIONS.

By CONSUL WILLIAM COFFIN, TRIPOLI CITY.

Owing to poor crops, 1908 was an unfavorable business year in Tripoli. The prices of the necessities of life were high, there was little money in circulation, and the commercial situation in general was unsatisfactory. The latter part of the year saw a great deal of suffering among the poorer classes. The crops of 1909 are little better than those of 1908, and as the stores of foodstuffs carried over from 1907 are now exhausted, the vilayet has nothing to fall back on and there is sure to be a great deal of distress in the country districts. There is no prospect of general improvement until 1910.

There are no statistics available for the fiscal year ended March 13, 1908, and it is therefore necessary to make a comparison with the last available figures, which cover the calendar year 1907. The total foreign trade of the vilayet for the calendar year 1907 amounted to \$4,820,368, of which the imports were valued at \$2,153,494 and the exports \$2,666,874. The total trade for the fiscal year ended March 13, 1909, is estimated at \$3,715,239, the imports amounting to \$2,634,256 and the exports \$1,080,983.

The value of the imports into and the exports from Tripoli-in-Barbary, by countries, for the calendar year 1907 and the fiscal year ended March 13, 1909, was as follows:

Country.	Imports.		Exports.	
	1907.	1908-9.	1907.	1908-9.
Austria-Hungary.....	\$374, 613	\$80, 476	\$14, 089	\$24, 754
Egypt.....		87, 687	399, 703	
France and Tunisia.....	813, 482	670, 031	281, 587	230, 964
Germany.....	92, 447	96, 180	41, 405	11, 070
Greece.....		4, 867	25, 000	6, 035
Italy.....	440, 812	537, 414	109, 624	61, 245
Turkey.....	323, 661	a 350, 000	277, 534	a 250, 000
United Kingdom and Malta.....	449, 304	787, 564	1, 213, 005	493, 951
All other countries.....	159, 225	43, 047	304, 747	3, 024
Total.....	2, 153, 494	2, 684, 256	2, 666, 874	1, 080, 983

a Estimated.

A GROWING TRADE.

The trade of Tripoli is growing slowly, but in the past years this has been offset by the gradual loss of the transit trade to the Sudan. The cavarán trade, formerly the most important factor in Tripoli's business, has greatly diminished, and the further improvement of water and rail routes to Central Africa from nearer seaboards seems bound to throw Tripoli, for the future, upon the resources of its agricultural products and mineral wealth, the value of the latter being practically unknown.

Imports from the United Kingdom and Malta showed an increase of \$338,250, due partly to the increased textile purchases, while exports thereto declined \$729,054, caused by the decreased shipments of barley and esparto to the United Kingdom and cattle to Malta. There is no doubt that the figures for the trade with the United Kingdom and Malta are greater than the actual commerce between the countries. It is impossible to analyze the figures intelligently, but much of the merchandise transshipped at Malta and credited to that port originates in other than British countries.

The imports from Austria-Hungary decreased from \$374,613 to \$60,476, due chiefly to the temporary unpopularity of Austrian goods.

The trade with France and Tunisia showed an increase of \$356,599 in imports. This is partly due to the fact that imports from Belgium disappeared in 1908 and have seemingly been included with those from French ports. Another reason is that France secured a good deal of the business lost by Austria-Hungary.

Italy showed an increase in imports of \$96,602. The imports from this country, which is making the strongest bid for Tripoli's trade, amounted to \$293,360 in 1904 and in 1908 to \$537,414.

The shipments of sheep, camels, and donkeys to Egypt, which amounted to \$399,703 in 1907, disappeared in 1908. On the other hand, imports from Egypt, which in 1907 were included under "other countries," amounted to \$87,687 in 1908, due to the importation of Saigon and Rangoon rice by way of Egyptian ports.

The exports to the United States for 1907 were valued at \$94,570, while none is given for the fiscal year ended March 13, 1909. The trade is entirely in skins, and the shipments for that year seem to have been included in the exports to Italy and France, where they were transshipped. The value of skins invoiced for the United States at this consulate from September 12, 1908, to March 13, 1909, was \$6,994. A few shipments were made before September, but their value is not ascertainable.

CLASSIFICATION OF IMPORTS AND EXPORTS.

The principal articles of import into and export from the Vilayet during the calendar year 1907 and the fiscal year ended March 13, 1909, are shown in the statement following.

Articles.	1907.	1908-9.	Articles.	1907.	1908-9.
IMPORTS.			EXPORTS.		
Breadstuffs.....	\$351,260	\$465,016	Animals, living.....	\$418,617	\$75,205
Charcoal, etc.....	36,284	26,005	Barley.....	802,880	67,443
Colonial produce.....	40,916	8,923	Eggs.....	80,095	102,657
Fruits and vegetables.....	41,495	66,658	Esparto grass.....	326,170	250,530
Glass, stone, and marble.....	17,756	61,627	Feathers, ostrich.....	50,180	42,676
Iron and steel, manufactures of:			Fruit.....	14,282	15,962
Hardware and metals.....	65,234	117,635	Henna.....	32,810	57,246
Machinery.....	13,124	8,923	Ivory.....	8,685	14,481
Leather and hides.....	41,302	30,705	Matting.....	59,830	30,175
Oils:			Olive and date stones.....		
Illuminating.....	25,476	36,804	Provisions:		
Other.....	63,304	67,985	Butter.....	54,040	157
Paper and cardboard.....	23,546	24,885	Poultry and game.....	14,475	1,814
Silver in bars and ornaments.....	83,183	9,624	Skins.....	137,965	59,941
Spirits, wine, etc.....	17,563	30,069	Sponges.....	212,300	85,204
Sugar, tea, and coffee.....	373,455	585,139	Wool and woollens.....	142,820	15,775
Textiles.....	538,663	649,069			
Tobacco.....	196,211				
Wood, and manufactures of:					
Furniture.....	12,352				
Timber.....	26,248	45,275			

Of the imports, increases were shown in breadstuffs amounting to \$113,756; sugar, tea, and coffee, \$211,684; textiles, \$110,406; glass, stone, and marble, \$43,871; and hardware and metals, \$52,401. Illuminating oil also increased \$11,328, this being American oil, shipped by way of Italy and Malta, and the only item of American imports traceable.

The decreases in exports were mostly in agricultural products. Barley, amounting in 1907 to \$802,880, fell to \$67,443, and even this represents stocks of grain carried over from 1907. Living animals fell from \$418,617 to \$75,205. Much of the live stock starved to death. Esparto dropped from \$326,170 to \$250,530, not because of a crop failure, but chiefly because of a scarcity of camels to transport it to the coast. Sappan wood, of which \$71,410 worth was exported in 1907, does not appear in 1908. Skins showed a loss of \$78,154. This trade was directly affected by the American market. Sponges showed a heavy loss, due not so much to a poor catch as to an unfavorable European market.

The items of export showing an increase are very few. Eggs advanced from \$80,095 to \$102,657; henna from \$32,810 to \$57,246, and ivory from \$8,685 to \$14,481.

TRADE WITH THE UNITED STATES.

Trade with the United States has been largely in favor of Tripoli. There was a considerable movement in skins up to a couple of years ago, but the trade has been greatly curtailed by the competition of India skins, commercial depression in the United States, and by unsatisfactory trade methods here. American importers complain that Tripoli skins can not be depended upon for uniformity in either quality or price. The trade is beginning to show signs of reviving, but the impression among Tripoli merchants is that the United States now buys here only when the market is short elsewhere.

The imports from the United States are insignificant. The kerosene oil comes from the United States by way of Italy and Malta.

Indirect imports of manufactured goods are small. There is a market in Tripoli for innumerable articles of American manufacture, but the difficulties of distance, the American system of foreign credits, the absence of traveling salesmen and consequent inability to buy from samples place the United States under a heavy disadvantage.

A prominent merchant of Tripoli called at the consulate a short time ago and while looking over the catalogue file expressed the opinion that many of the goods represented could find a sale in Tripoli. He said:

Why is it that you so seldom see American houses established in places like Tripoli? I have traveled a good deal in this part of the world, and although I have seen many English, German, French, and other firms established in foreign towns, importing their own goods and buying the country's products, I do not remember ever having seen an American house thus engaged. If there was an American merchant here he could buy skins, ostrich feathers, and esparto grass for America, and he could sell here your flour and cotton goods and many of the manufactured articles I see in your catalogues. Do you think that Tripoli merchants are going to order American goods they have never seen and pay cash before shipment, without somebody to persuade them to do it?

The obvious opportunities for an increase in American exports to Tripoli are in the lines of flour and cotton goods. These staples are purchased largely every year, the imports of flour increasing when local harvests are poor. This office has several times reported upon these trade opportunities, and desires to reiterate that the chief obstacle to the commencement of business is the iron-clad American terms of cash before the goods leave the United States. That is an obstacle which American exporters can remove whenever it pleases them to do so, and there seems to be no perceptible reason why better terms would be any more risky for them than for the many European merchants now selling goods here.

AGRICULTURE—MINERAL RESOURCES.

The commercial attaché of the Italian consulate-general at Tripoli estimates that Tripoli's total area is 375,119 square miles, of which 225,073 square miles are sterile and 150,046 tillable, the total area under cultivation being less than 22,506 square miles. Assuming the accuracy of these figures, there are 127,540 square miles of tillable land lying fallow in the district. Even the restricted area of cultivation could be greatly improved by modern farming methods. A good harvest here is one that will yield 500,000 hectoliters (hectoliter = 2.838 bushels), and 750,000 hectoliters is considered an abundant harvest, but the phenomenal crop of 1907 produced nearly 2,000,000 hectoliters. With more settlers and intelligent methods, the country could be restored to something like the fertility and richness it had under Roman occupation.

The mineral resources of the country are practically unknown. A party of French engineers has made a prospecting trip to certain parts of the districts of Jebel Khoms, and while the results of the expedition have not been made public, it is known that phosphate deposits were found. If they have any commercial value their exploitation would add considerably to the wealth of the country and would also mean the construction of a railway and the opening up of at least one section of the interior.

TONNAGE OF THE PORT—PUBLIC IMPROVEMENTS.

The total tonnage entered and cleared at the port of Tripoli for the calendar year 1908 amounted to 361,391 tons, a decrease of 55,036 tons from 1907. This was due to the reduced exports of barley and esparto in cargo steamers and also to the exclusion from the 1908 statistics of small sailing vessels under 20 tons. The regular passenger and freight lines calling at Tripoli showed little change with the exception of the Italian steamers, the number of which increased from 137 in 1907 to 183 in 1908, with a gain of 39,445 tons.

The port is an open one and the harbor will admit only vessels drawing 19 feet or under. Ships discharge and load at their anchorages. There is one jetty for the esparto and barley trade, but it is approachable only by lighters. During bad weather in the winter time it frequently happens that vessels can land neither mails nor cargo. The town suffers much from this inconvenience. It is said that negotiations are under way between the Turkish Government and an Italian company for a concession to build the port. The undertaking would not be difficult or expensive as rocks on the western side of the harbor form the beginning of a breakwater and there is not much dredging to be done.

The most urgently needed public undertaking seems to be the construction of a system of irrigation. The greater part of the Vilayet now depends for its crops on the rainfall, and in this semiarid region there are often crop failures. The proposal to bore artesian wells has been favorably considered by the provincial assembly and some time ago it was reported that this work would be undertaken at once at the expense of the vilayet.

Well-directed expenditure of public money would work miracles in Tripoli, but the Government has many obstacles to overcome; the chief, perhaps, is the difficulty of finding the money to expend. Another is the conservativeness of the native and his inherent prejudice against innovations. It would be a long and arduous task to induce him to change his ancient methods of tilling the soil, and yet, with intelligent methods of cultivation and crop rotation, even without irrigation, it is possible that the vilayet would never have to face the starvation years from which it has often suffered.

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